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# STATE OF WASHINGTON

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## Second and Third Annual Reports

OF

# THE RAILROAD COMMISSION OF WASHINGTON

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TO

## THE GOVERNOR

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Covering the Period from December 31, 1906, to  
December 31, 1907, and from December  
31, 1907, to December 31, 1908

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### COMMISSIONERS:

H. A. FAIRCHILD, <i>Chairman</i> . . . . .	Term expires June 9, 1911 .
JOHN C. LAWRENCE . . . . .	" June 23, 1913
JESSE S. JONES . . . . .	" June 21, 1909

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OFFICE OF THE RAILROAD COMMISSION OF  
WASHINGTON.

OLYMPIA, WASH., Dec. 31, 1907.

*To His Excellency, Albert E. Mead, Governor, Olympia,  
Washington:*

DEAR SIR—We have the honor to submit our second annual report.

Since our last report Mr. John S. McMillin resigned as a member of the Commission and Mr. Jesse S. Jones was appointed to fill the vacancy.

The principal work on which the Commission has been engaged during the year has been the physical valuation of railroad property. The work was begun during the preceding year and we simply report progress. While it would seem that the work has been substantially completed, it has grown so much in volume as it progressed that we realize the difficulty of hurrying it to a completion.

The Legislature by the act of 1907 enlarged the scope of this work by providing that the Commission should secure, in addition to the information of "the amount of money expended in the construction and equipment per mile of every railway in Washington," the original cost of construction, the improvements and betterments, the cost of reproduction new, the depreciation for time in use, amount and market value of stocks and bonds, the relative value of the use of the roads for state and interstate purposes, the market value of the property, the earning capacity of the railroads under the rates now charged and the sums required to meet fixed charges and operating expenses on interstate business, the density of traffic and character as to permanency, density of population, existence of grades and curvatures and other physical considerations affecting the movement of traffic.

The law further provides that the Commission be authorized to cause a hearing or hearings to be held at such time or times and place or places as it might designate for the purpose of

taking testimony as to such matters, with notice to the railroads, and to reduce the evidence to writing on which the Commission should make and render findings of fact covering all the matters referred to, such findings to be admissible in evidence in any proceeding in which the public and the railroads are interested.

Several weeks were spent during the year in taking testimony at hearings held in accordance with these provisions. The evidence submitted in behalf of the state was secured from engineers and experts employed by the Commission. The expert witnesses for the state in practically all cases prepared tabulated statements of their testimony in advance of the hearing and after laying a foundation and identifying the statement it was, by stipulation, formally admitted and filed as the witnesses' testimony. Had the testimony thus given been put in in detail almost the entire year would have been consumed in the hearings. The plan followed put the principal testimony in the form of exhibits. Notwithstanding this the record of testimony taken is voluminous. Some idea of this is given in the statement of the several weeks spent in the hearings and the fact that more than half a million words were reduced to writing. Some seventy-five witnesses, in all, were examined and about two hundred exhibits filed.

The investigation has been as thorough as it appeared possible to make it. The O. R. & N. Company selected an expert engineer of its own after our engineers had made up the valuation for that road. Several months were spent with a corps of assistants in going over the same line of work. Other railroads have made estimates covering the line of investigation as to the cost of the various items, none of them, however, going as fully in the matter as the company named. The checking and counter-checking of the different engineers has made an exhaustive investigation.

Besides securing the cost data, it became necessary to secure a basis for the division of value of the property in accordance with its use for state and interstate purposes. Practically every road in the state is used for such dual purpose, even though it be a road which does not extend beyond the limits of the state. To secure a basis for such division it was necessary to have the amount of freight shipped from every station

in the state, the amount received at every station in the state from other stations in the state, the amount received and forwarded between stations in the state and points outside the state, and the amount of freight passing through the state divided into its classifications and commodities with the distance moved in each case. This information was secured for an average period of years. To do this work it became necessary to employ assistants to our own rate expert who was sent into the general offices of the railways for this purpose. Several months have been spent in securing and compiling this data. We have ascertained and made findings covering the cost and value of the Washington & Columbia River Railway Company, the Port Townsend Southern Railway Company, the Washington Central Railway Company, and the Northern Pacific Railway Company, being the lines controlled by and a part of the system of the Northern Pacific Railway Company; also the Columbia & Red Mountain Railway Company, the Washington & Great Northern Railway Company, the Spokane Falls & Northern Railway Company, the Seattle & Montana Railway Company, the St. Paul, Minneapolis & Manitoba Railway Company, and the Great Northern Railway Company, comprising the Great Northern Railway system; also the Ilwaco Railroad & Navigation Company, the Columbia & Palouse Railroad Company, the Walla Walla & Columbia River Railroad Company, the Snake River Valley Railroad Company, and the Oregon Railroad & Navigation Company, comprising the Oregon Railway & Navigation system in the state; also the Bellingham Bay & British Columbia Railway Company, the Columbia & Puget Sound Railroad Company, and the Tacoma Eastern Railway Company. This work has cost several thousand dollars, but has been essential to the plan of work the Commission is following, which will be explained in detail.

It may not be out of place to say that the bill to amend the act of 1905 was prepared by the Railroad Commission. Every known defect in the law was sought to be remedied and the scope of the Commission work somewhat enlarged. The constitutionality of the law had been attacked in the courts. The Commission had been restrained from the enforcement of an important order, that of joint wheat rates, by the Federal court. A constitutional objection urged against the law was

the exception of electric interurban and suburban railways from its jurisdiction. Such objection was removed by the amended law.

After careful consideration the Commission vacated its former joint rate order on wheat and the action pending in the Federal court was dismissed. A new complaint alleging the necessity for joint rates on wheat and other commodities was filed by the Commission, on which a hearing was held, with notice to the railways affected. Several days were spent in taking testimony, on which the Commission made its findings and issued a new order.

For the purpose of avoiding constitutional objections urged in the former proceeding the Commission proceeded this time under the provisions of the amended law, and the order issued was substantially the same as the one vacated. Again the Federal court issued a restraining order, and the matter is pending at this writing.

In addition to the joint rates on wheat the Commission has ordered joint rates on hay, oats, barley, mill feed and potatoes, and an extension of the terminal rates on such commodities to points on Grays Harbor, Willapa Harbor and Bellingham. Appeals were taken from these orders and the cases are pending in the courts.

The constitution of the state, Art. 12, Sec. 13, provides that railways of the same or similar gauge shall at all crossings and at all points where a railroad shall begin or terminate at or near any other railroad, form proper connections so that the cars of any such railroad company may be speedily transferred from one railroad to another. The Commission under the amended act cited the various railroads which had ignored this constitutional requirement to a hearing on a complaint duly filed. Testimony was taken and an order entered compelling such track connections. From this order the railroads affected appealed, and the case is now pending in the courts.

The members of the Commission attended the National Association of Railway Commissioners at Washington, D. C. This meeting followed soon after an announcement by the trans-continental railroads of an increased rate on lumber and shingles. An attempt had been made to secure a hearing before the Interstate Commerce Commission prior to the going into effect

of the new tariff. This the Interstate Commerce Commission was not authorized to give under the law. At a meeting of the Railroad Commissioners from the northwestern states held just before the national association it was agreed to secure, if possible, the passage of a resolution by that convention favoring an amendment in the law so as to provide for a hearing on complaint of a shipper before the going into effect of a higher rate. A resolution to this effect was offered by Mr. Aitchison of Oregon and urged by each of the Commissioners from this state, with the result that it carried. It is interesting to note that a bill was introduced in Congress to carry this resolution into effect and the matter was made the subject of a special message by the President of the United States.

While the state law in this respect is substantially the same as the federal law, a remedy against such conditions is in the hands of this Commission. The law authorizes the Commission to make a determination of the reasonableness of all rates and to find when they are reasonably remunerative, and make an order that they be not increased without the consent of the Commission. Where this is done a rate cannot be increased without an application to the Commission regularly made and an order from the Commission permitting such increase. The Commission realizes that it can not make such determination without a knowledge of the physical and commercial value of railroad property. As soon as the work in this connection is completed we will be prepared to make a determination of the reasonableness of rate schedules in the state.

Referring further to the National Association of Railway Commissioners, many matters of importance relative to the work in this state were discussed. Among them the necessity of an amendment to the federal law governing the use of safety appliances, particularly a protection from the third rail in use by electric railways.

During the year some one hundred and forty complaints were filed with the Commission. This does not include what may be termed correspondence complaints. The latter refer to matters subject to explanation by letter. It is the practice of some commissions to number such letters as complaints. Had this been done in this state the number of complaints reported would have been greatly increased.

In a large percentage of cases an adjustment satisfactory to the complainant was made after taking the matter up informally with the railway company against which the complaint was directed. In some instances it was found that complaints were not justified, in others that relief was not obtainable. In several cases where the Commission was satisfied the complaint was well founded, and an amicable adjustment could not be reached, formal complaints were drawn and citation issued to the defendant company to appear. The Attorney General has appeared for complainant in all such cases. In two cases special counsel was associated with the Attorney General.

The formal hearings held during the year, in addition to the cases mentioned, resulted in the following orders: Providing for a suitable depot building and station agent at Yelm on the N. P. in Thurston county. A station building and agent on the N. P. at Mesa in Franklin county. A lower rate on stone from Ilse's Spur to Spokane on the O. R. & N. A station building and agent on the O. R. & N. at Touchet in Walla Walla county. A lower switching charge on slabwood to the spur of the Carstens Packing Company at Tacoma on the N. P. A spur to Burnham's mill on the N. P. in Thurston county, and safety regulations in the N. P. yards at Pullman.

Many complaints have been made of car shortage and discrimination in car supply, of the condition of waiting rooms in passenger depots, delayed trains with no information as to probable time of arrival of trains, excess charges on cash fares paid on trains and many other matters connected with operation of trains. An attempt to remedy a large number of these complaints was made in the promulgation of "Rules and regulations issued by the Railroad Commission of Washington governing the transportation of passengers; record of car distribution and safety devices on railroads within the State of Washington."

The Northern Pacific and Great Northern appealed from certain of these rules affecting the amount of mileage to be detached from mileage books and excess paid on cash fares, but the remainder of the rules have become effective. The O. R. & N. has obeyed all the rules and regulations. These rules will be published in this report, and a copy has been ordered posted in the waiting rooms of the various passenger stations in the state.



The public may be interested in the organization of the Commission and system and organization of office work. For the purpose of giving the details of this organization and system adopted, the office rules and regulations will be published. The districting of the state by the last Legislature by a coincidence placed the members in separate congressional districts. Under the system of correspondence adopted the correspondence from each congressional district is referred to the Commissioner from that district. Important matters are considered by all the Commissioners.

The provision of the amended law known as the safety appliance act has been administered by A. W. Perley, who was selected by the Commission as inspector. No legislative enactment was ever carried into execution with greater satisfaction to all concerned. It has been a benefit to the people and to the railroads and employes as well. While the work has been entrusted to Mr. Perley, to whose pre-eminent ability is due the success of the law, in two instances a formal investigation was made by the members of the Commission in connection with the inspector, and an order issued providing for relief from conditions found to exist.

The wreck of a passenger train on the Great Northern occurred near Milan in Spokane county August 10 last. While no deaths resulted some thirty-four passengers were injured. Complaint was made to the Commission that this wreck was due to the poor condition of track and roadbed on the Great Northern, and that similar conditions existed on a large portion of its mileage in the state. Such complaint being in accordance with previous reports of the inspector, the Commission proceeded to the scene of the wreck near Milan for a thorough investigation. The entire train had been derailed and several of the coaches were lying on their sides, the tops of some overhanging the waters of the river. Only by a most fortunate chance had the occupants escaped a horror similar to one which had occurred nearby the previous year. The testimony taken was that of the crew, the section men in charge of the district, the foreman of an extra gang engaged in placing new ties, the roadmaster and superintendent, as well as the testimony of passengers, the taking of testimony being completed later at Olympia. The testimony of the inspector was taken after he

had made a careful examination at the scene of the wreck and had walked over many miles of the track.

The inspector's testimony showed the cause of the wreck was the turning of a rail. That the turning of the rail was due to the condition of the ties. Some new ties had recently been placed under the rail which turned, but the tamping under the new ties had been washed out by a rain. The remaining old ties had been cut by the pressure of the rail and under the weight of the locomotive, unsupported by the new ties, had turned. He testified that a large percentage of the ties in use were old and that the track was in poor condition.

The Commission found: "That the track in the vicinity of the wreck was not in a proper state of efficiency. A greater proportion of old or defective ties were found than should exist. That during the years 1905-1906 sufficient renewals of ties were not made to retain the roadbed in such a state of efficiency as should exist on a transcontinental road operating the heavy equipment used by the Great Northern Railway.

This applies not only to the section where the wreck occurred, but to other portions of the company's line in this state. The company's attention has been called to the defective condition of the track, particularly near Leavenworth. During the present year, however, the company has made much greater efforts to improve their track and roadbed. On the particular section where the wreck occurred, consisting of six miles, more than seven thousand new ties had been distributed prior to the wreck and an extra gang of thirty-one men were then employed in repairing, improving and surfacing the track and roadbed.

The evidence disclosed the fact that the track is subject to much greater strain than at the time of construction. The road is now using engines having a weight 40 per cent. greater than those used at first, and car capacity has increased more than 33 per cent. The Commission believes that improvements in roadbed have not kept pace with improvement in equipment. It does not appear that the conditions are such as to justify the Commission in condemning the track for the use of trains. Yet it is due to the public to say that the Great Northern Railway Company has failed to keep its roadbed to that standard of efficiency required by a transcontinental railway on its main line with its present heavy equipment; that there has been

no justification from the standpoint of railway earnings for permitting such conditions to exist."

A complaint was filed on behalf of the switchmen at Tacoma alleging failure of the Northern Pacific to equip its yard engines with proper safety devices and grab-irons. A hearing by the Commission was held at Tacoma and the testimony of a number of witnesses taken, including the testimony of several switchmen. As a result of the hearing the Commission directed the reconstruction of yard engines so that the tank would not come flush with the frame, and that the grab-irons and uncoupling levers be put in good repair.

This was agreed to by the manager of the company, and subsequent reports of the inspector show this to have been done throughout the state.

Other matters of interest in connection with the general work of the Commission, and the reports of operation of railroads will appear elsewhere in this report.

Respectfully submitted,

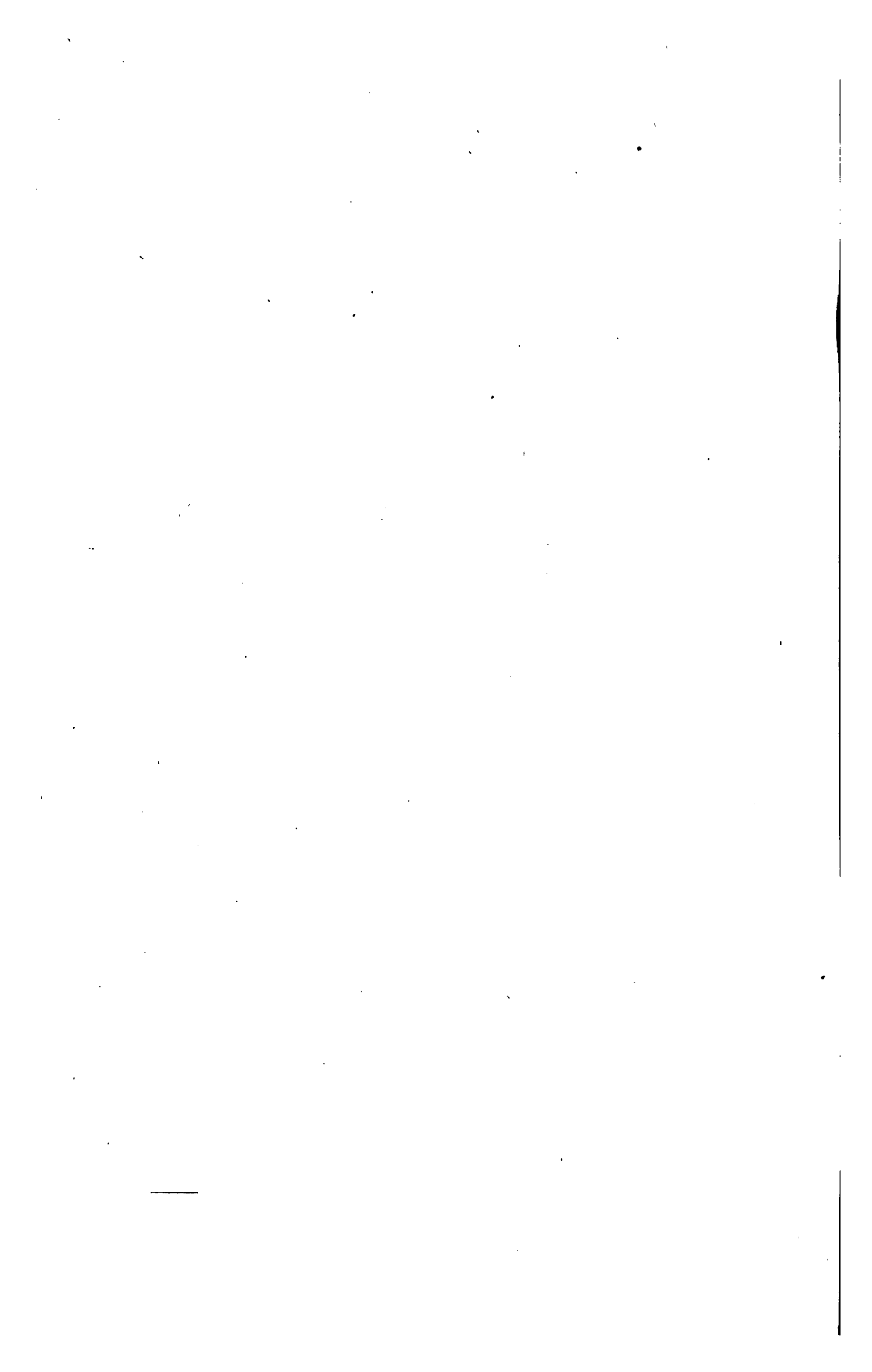
THE RAILROAD COMMISSION OF WASHINGTON,

H. A. FAIRCHILD, *Chairman.*

JOHN C. LAWRENCE.

JESSE S. JONES.

O. O. CALDERHEAD, *Secretary.*



OFFICE OF THE RAILROAD COMMISSION.

OLYMPIA, WASH., Dec. 31, 1908.

*To His Excellency, Albert E. Mead, Governor, Olympia,  
Washington:*

DEAR SIR—We have the honor to submit our third annual report. The second annual report will be printed with this report, consolidating the two reports in one volume. We believe this will be more convenient, is more economical and places the work of the Commission and the report of the operation of railways for the full biennial period before the Legislature.

We have completed the valuation of the railroads in operation in the state. A little more than two years was spent in the work, which was carried on in connection with the other work devolving upon the Commission. From the organization of the Commission in June, 1905, to July, 1906, the question of the best method of ascertaining the physical valuation of the railroads was the subject of investigation and study. At the end of this time the Commission engaged the service of H. P. Gillette, a consulting engineer of New York, to take charge of the work. He was directed to proceed to St. Paul, where two members of the Commission joined him, and after a few days' consultation the plan of work was decided upon. Later Mr. H. L. Gray and F. W. Collins were selected as principal assistants and a corps of engineers and experts employed from time to time. Data as to original cost was secured from the general offices in St. Paul and Portland, Or., some missing details being secured from local records.

About three thousand miles of railroad has been valued. Roads under construction at the beginning of this work and roads since projected and now under construction have not been included. The valuation of these roads will be taken up as soon as they are completed, and the cost of construction secured. Where this is done immediately after the construction, such cost would be approximately the cost of reproduction, and there will be no substantial depreciation. Nearly two thousand miles of road are now under construction, including the Chicago,

Milwaukee & St. Paul, the North Coast Railroad, the Spokane, Portland & Seattle, and the Oregon & Washington, besides the mileage completed and under construction by the Spokane & Inland Empire.

The cost of the work of valuation has been about forty thousand dollars. This does not include the cost of securing data on which to base the division of value between state and interstate use. The latter is more of an administrative matter than original research, such as ascertaining the various items of cost. A more comprehensive report of the scope of the work and the findings of the Commission will be found later in this report. No more valuable and interesting work of this character can be found. It is with a feeling of pride we say that such report constitutes the first of its character ever done. The work has been almost entirely along new lines and, we believe, affords the first correct basis for the solution of the problem of determining the reasonableness of rates.

An incidental result of this work has been the valuation of railroad property for assessment purposes. The principal trans-continental roads in the hearing before the Commission offered evidence tending to show that the roads had a market value of and requested findings fixing the valuation greatly in excess of the amount or value fixed by the Commission. There was, therefore, no objection on the part of these roads when the State Tax Commission adopted the valuations found by this Commission as the true value of such property. In the problem of equalization presented to them these values were equalized on the basis of the assessed value to the true value of other property in the different counties in the state. As a result of such assessment, based on the findings of the Railroad Commission, where the equalized value of the three principal steam roads was increased more than forty million dollars, assuming the average levy in the state for all purposes to be about thirty mills, the increased taxes to be paid by these roads on this assessment will be a million and a quarter of dollars annually. It will be seen that the total expenditure of forty thousand dollars to complete the work of the physical valuation, which need not again be incurred, is offset by more than thirty times this amount annually from the three roads. The same ratio of benefit will hold good against the remaining railroad property

in the state. But this is incidental, as stated. The real purpose of the work of valuation was for the determination of the reasonableness of rates.

In concluding this important work we wish to acknowledge the ability and energy of Mr. Gillette and his able corps of assistants. The Commission was fortunate in securing the services of real experts in all lines. With full appreciation of the value of the work done by others, the Commission desires to acknowledge the invaluable work of Mr. J. C. H. Reynolds, of the right of way experts, to whose organization and systematic effort the success of this important department was largely due.

Special attention is called to the report of Mr. Perley, inspector of tracks and safety appliances, found elsewhere. We have been gratified to receive endorsements of his work from practically every trainmen's organization in the state. These testimonials, too voluminous for publication, came from the Brotherhood of Railway Trainmen, Brotherhood of Locomotive Engineers, Order of Railway Conductors, and the Brotherhood of Locomotive Firemen and Enginemen. The men composing these organizations come in actual contact with safety appliances and track conditions. None others have a like opportunity to know the workings of the safety appliance provisions of our law. The protection of life and limb afforded these men means the protection of the traveling public as well. It is not a coincidence that the year preceding the enactment of this law was filled with a series of train wrecks in this state, some of them appalling disasters, while the past year has been almost entirely free from wrecks, none of importance having occurred.

In our last report we gave the findings of the Commission on the investigation of the condition of the tracks and roadbed of the Great Northern Railway, in which they were held to be below the standard of efficiency which should obtain on a trans-continental line. It is due to that company to state that from the date of that report until recently, a period of over a year, there has been an unexampled expenditure of money in improving the conditions mentioned. The Great Northern is to be congratulated on the present high standard of efficiency

of its roadbed. The following extract from a recent report of the inspector reviews the conditions:

"An inspection of the track of the Great Northern from the Idaho line to Seattle was made. On my first inspection about a year and a half ago this track was found in a defective and dangerous condition owing to bad ties. Wrecks were of frequent occurrence owing to bad condition of track. After the Milan wreck the company immediately put on a large force of men, 800 being employed on 300 miles of railroad. Many thousand new ties were placed, miles and miles of heavy steel laid and many ballast trains have been engaged in hauling gravel. until now comparison with other lines in the state is inviting."

Prior to the close of last year a period of car shortage existed. Greivous complaints arose from such conditions. While en route to the meeting of the National Association of Railway Commissioners, the Commission stopped at St. Paul to attend a meeting of the Commissioners from the northwestern states. While there the general offices of the railways doing business in this state were visited. While in the office of the traffic manager of the Great Northern the car shortage question was referred to, and Mr. James J. Hill, chairman of the board of directors, stated that one cause of the existing car shortage was the long delay in unloading cars at the terminals, particularly at Seattle. He stated that cars were detained for unloading an average period of five days, when it should not exceed two days, and that the three days lost would, if the cars could be moved, afford a much improved service. This led to an investigation by the Commission, the result of which is given in the following letter to Mr. W. W. Broughton, the traffic manager of that road:

"With reference to the delay of unloading cars at Seattle as talked in your office with the chairman of your Board of Directors, the President of your road, and yourself, we desire to make the following statement.

"We at once wired the Secretary of the Chamber of Commerce, asking if the Seattle Spirit could not be invoked to secure a more rapid unloading of cars. A reply was received saying the matter had been referred to the shippers' association. Later a telegram was received from the association saying cars were promptly unloaded when spotted, and if any unusual delay occurred it was due to failure to spot promptly.

"On the return of the Commission the matter was taken up with Mr. H. M. Adams, assistant traffic manager, who requested a detailed



investigation by the Commission to determine the cause or causes of delay. The Commission thereupon detailed Mr. W. A. Perley to make the investigation.

"Mr. Perley's report is before us. He states that he is indebted to Mr. F. R. Hanlon, Commissioner in charge of the Pacific Northwest Car Service Association, for the detailed information, which is quite voluminous.

"A condensed statement for the month of November, 1907, shows 611 cars reported on both Great Northern and Northern Pacific at Seattle on which demurrage charges of \$2508 has accrued. The principal commodities are as follows:

Wheat .....	13	cars	accrued charges	\$ 30
Oats .....	3	"	"	3
Barley .....	15	"	"	65
Hay .....	144	"	"	567
Potatoes .....	59	"	"	159
Flour .....	8	"	"	22
Corn .....	7	"	"	40
Lumber .....	34	"	"	104
Coal .....	106	"	"	368
Machinery .....	14	"	"	482
Miscellaneous .....	208	"	"	668
	611			\$2508

"Some of the cars classed as miscellaneous have been on demurrage several months. Of farm products, hay and potatoes have occasioned the principal delay. Coal and lumber have contributed largely to delay in unloading. While 95 per cent of the cars set in are released in free time, the remaining five per cent increase the average period of detention for unloading to five days.

"While only 13 cars of wheat were reported with demurrage charges of \$30, this is due to the fact that the railways are taking care to deliver wheat *only as fast as the cars can be unloaded* to save blocking the terminals. Wheat constitutes the principal receipts and if the delivery of such cars was not held back to correspond with the facilities for unloading, a congestion of the terminal tracks would result, blockading all traffic. The exporters are supplied with wheat as rapidly as they can handle it, with a few days surplus at the terminals. This necessitates a corresponding regulation as to loading at interior points.

"We confirm our conversation with yourself and Mr. Costello in our office a few days ago. At the present rate of wheat movement to the Puget Sound terminals it will require more than twelve months to move the crop. We are satisfied that railways are now prepared to move the wheat in one-half that time. It can, however, be moved no faster than it can be unloaded at the terminals. The millers and ex-

porters at these terminals are taxing their facilities to the utmost for unloading.

"We agree with the suggestion that a revolution of the method of handling grain on this coast is necessary to relieve existing conditions. No more irksome and expensive method of handling wheat in sacks as at present conducted could be devised. We believe that the time has come when wheat grown in the Pacific Northwest should be handled in bulk. Several carloads of bulk wheat can be unloaded during the time one car of sacked wheat can be unloaded. In unloading sacked wheat the sacks must be picked up and handled by men and trucked out into the warehouse. If loaded with bulk wheat the car doors can be opened and the contents discharged in a tithe of the time required to unload sacked wheat. This is the principal cause of delay.

"The farmers are ripe for a revolt against the conditions compelling them to pay as high as 10 and 12 cents for sacks, an expense of nearly 5 cents a bushel. This expense is charged against the price of the grain and is borne by the farmer ultimately.

"The danger to ship cargoes of bulk grain is in shifting on the long ocean voyage to Europe, and especially in the rough seas around Cape Horn. This danger led to sacking. At the present time a large per centage of the wheat grown is milled and shipped as flour, in different sacks. Such wheat can be handled in bulk from the farm to the mill. So much of the wheat now needs cleaning that under present practice the grain is emptied, cleaned, and re-sacked before loading on shipboard. It need not be sacked until ready for such loading. For sacking to load on ships "Liverpool returns" can be used. That is, sacks returned after the ship is unloaded. Such sacks are not desirable at the farm because of weakness and leakage in handling on wagons. This objection does not apply to ship loading. Such revolution of method of handling wheat cannot be secured at once. A practical method of handling wheat in bulk at the farm, under the conditions existing on the coast must be secured. Portable grain bins at reasonable cost must be available to be placed at the place of threshing. Suitable elevators at local stations must be built and the terminals reconstructed so as to permit of receiving in bulk.

"In order to facilitate the unloading of grain as rapidly as shipments can be made and in this way release cars for other shipments, an urgent necessity under existing car shortage, we are taking up the question of the method of handling wheat. This will be done first with the exporters and millers, then with the farmers and local warehousemen. We feel the railways will co-operate in this movement, and remember your own suggestions as to this course."

Following the publication of this letter was an extended discussion of the question of handling grain in bulk, not only to facilitate its movement, but for economy. While members

of the Commission took some part in the discussion which had been started by the foregoing report on the subject, the only direct interest had in the matter was from a traffic movement standpoint.

The railroad map issued by the Commission has come to be regarded as a standard authority as to the location of the railroad lines in the state. The common practice of railway companies is to issue railway maps showing their own roads on direct lines, with no reference to geographical correctness in any of them. The Commission map was designed to supply a map which would be geographically correct as to all the roads as well as the stations. So great has been the demand for these maps that the supply is practically exhausted. A new edition will be issued as soon as funds are available for this purpose. More than twenty thousand copies of the map have been distributed without charge.

The distance table published in our first report showing the names of all stations in the state, in alphabetical order, with distances and lines of travel to the three principal cities in the state and Portland, Or., will not be reissued. In its place we will publish a full alphabetical list of all stations on the proposed map, with the distance given as shown in the table mentioned.

In January, 1906, complaint was made of the rate on wheat from Ritzville, in Adams county, to Tacoma, on the Northern Pacific. At that time the Commission felt that it did not have sufficient information on which to proceed with a hearing to determine the reasonableness of the rates complained of, lacking knowledge of the value of the property used by the railroads for the public convenience. The complainants not having the necessary information it was agreed that the matter should go over until such time as the Commission would have completed its work of valuation, for which it was then making preparation. In May last, more than two years later, a hearing as to the reasonableness of such rates was held at Ritzville at which the testimony of a number of witnesses was taken both on behalf of the complainant and on the part of the Northern Pacific and Great Northern Railways, which had been cited as defendants. The taking of testimony, however, has not been concluded and no order determining the reasonableness of rates will be

issued until the question of the constitutionality of the amended Commission act has been passed on by the State Supreme Court.

Judge Hanford, by an interlocutory order in a proceeding reviewing an order of the Commission fixing a joint rate on wheat, held that under our constitution rates could only be fixed by laws duly enacted by the Legislature, and that the attempted delegation of this power to the Commission by the Commission law was unconstitutional and void, and the Commission and Attorney General were enjoined pending the final hearing of the case from attempting to enforce the joint rate order. Under the announcement by Judge Hanford a final hearing could only have resulted in a perpetual injunction, and this could only have been reversed by the Federal Appellate Court should Judge Hanford be in error. The Supreme Court of the state is the final arbiter of the construction of the state constitution. We have, therefore not urged the speedy hearing in the Federal Court, preferring an interpretation by our Supreme Court of the issue, before a final hearing in the Federal Court. A case involving this issue has been submitted to the Supreme Court and a decision is daily expected. Should Judge Hanford be sustained by our Supreme Court, rates could neither be fixed nor corrected by the Commission without an amendment to the constitution. Should our Supreme Court hold that under the constitution the power to determine and fix what would be a fair, just and reasonable rate could be delegated to the Commission, then the Federal Court would be bound by such decision and the case will be speedily pushed to a final determination.

There are now pending in the courts some fourteen appeals from orders of the Commission. The appeals have involved long delays. Presumably a matter has gone beyond the jurisdiction of the Commission when an appeal is taken, until such time as the matter is passed on by the courts. The Commission has done all in its power to aid in expediting appeals in the courts. The resignation of Mr. A. J. Falknor as Assistant Attorney General was a serious handicap to this work, as he had been in charge of the legal work of the Commission, in connection with Attorney General John D. Atkinson, from the beginning. Mr. J. B. Alexander, Assistant Attorney General, has been in charge of the legal work of the Commission since

Mr. Falknor's resignation. A letter from him, which gives the present status of the pending appeals, is published in this report.

The blank forms of annual reports for the various railroads are, by an arrangement, common with other Commissions, supplied by the Interstate Commerce Commission with such changes as are necessary for use in this state. Owing to a change in the form of these reports, made as the result of a conference of a committee of the National Association of Railway Commissioners and a committee of accounting officers of a large number of railroads, these forms were not received until October. This results in a delay in making up of the reports so that the statistical tables, showing the railroad operations in the state, are not as full as they otherwise would have been. While the statistical tables seem dry and uninteresting to the public, it is the convenient and practical form into which to condense the reports of the various railroads.

The Railroad Commission law, as amended by the last Legislature, needs only minor amendments to carry out the present scope of the act. Recommendations along this line will be made. It is, however, believed by many that the scope of the work should be greatly enlarged so as to include supervision of all public service corporations along the line of the public utilities law of New York, or the corporation commission of Virginia. Should this be attempted at the next session of the Legislature a broad field of legislative enactment in this respect will be presented. Care will be needed, if the scope of the work is to be enlarged, that none of the present powers of the Commission be diminished.

The Commission is closing the constructive period of its existence. This has been done in pursuance of a line of work laid out practically from the beginning. It has constituted the foundation laying for intelligent supervision. The principal part of this work was making a physical valuation of the property of the roads and securing information as to the volume and movement of traffic under all the conditions governing state and interstate shipments. A foundation is for the purpose of erecting a superstructure. This the Commission is now ready to begin. That superstructure, when completed, will be the determination of the reasonableness of the schedule of rates in

effect in the state, and a fair equalization of the rates between the different classes and commodities shipped.

Respectfully submitted,

THE RAILROAD COMMISSION OF WASHINGTON.

H. A. FAIRCHILD, *Chairman.*

JOHN C. LAWRENCE,

JESSE S. JONES,

*Commissioners.*

O. O. CALDERHEAD, *Secretary.*

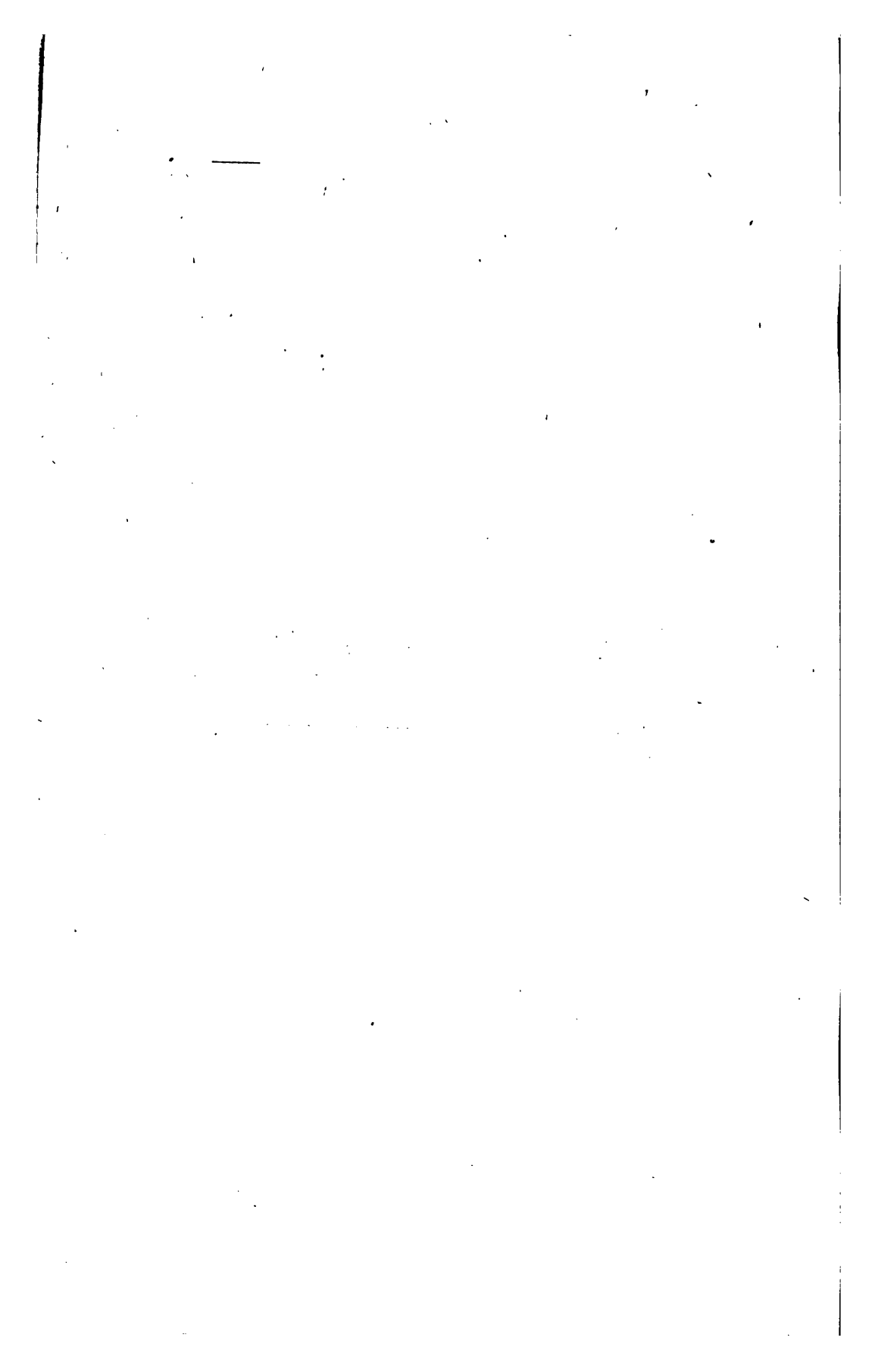
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# RULES AND REGULATIONS

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**OFFICE RULES OF THE RAILROAD COMMISSION OF  
WASHINGTON.**

**Commissioners.**

1. Action in all matters pertaining to the Commission shall be taken when all three members are present, unless a member is absent from the city in which a meeting may be held.

2. Every action of the Commission shall be entered of record in the Minute Book, such action to be taken on motion stated or assumed. In the event any action is taken in the absence of the Secretary, one of the members present shall be designated to report such action and at once supply the Secretary with such record.

3. The Chairman of the Board shall preside at all meetings of the Board, and at all hearings conducted by the Commission. In his absence the senior member present shall act as Chairman.

4. On the 20th of each month, or as nearly that date as possible, all bills against the Commission shall be audited, and the Chairman and Secretary authorized to sign vouchers for all amounts approved.

5. The Secretary shall keep the minutes of all actions taken by the Commission in a book designated for that purpose, to be known as the Minute Book. Actions taken in his absence and reported to him shall be entered in their order, the same as if he were present.

6. A record of all formal orders made by the Commission shall be kept by the Secretary in a book for such purpose to be known as the Order book.

7. All requisitions on the State Printer for printing and supplies shall be signed by the Secretary, or, in his absence, by one of the Commissioners.

8. All office employees of the Commission shall be under the direction of the Secretary, subject to the order of any member of the Commission. In the event of a question of authority arising it shall be referred to the Commission.

9. All permanent records not otherwise specified, shall be kept by the Secretary of the Commission. He shall have charge of the seal of the Commission and all office supplies, and shall be responsible to the Commission. He shall also make service of all citations, orders and have full charge of all papers in connection with formal complaints and litigation of whatever kind or character, whether before the Commission or the Court.

**Stenographers.**

10. The official stenographer will take the testimony at all hearings and have charge of the notes and transcripts until same are completed, when they will be turned over to the Secretary. He will properly mark all exhibits for identification and same shall then be placed in the custody of the Secretary. He shall, on the request of the Commis-

sion, dictate his notes into phonograph for the purpose of making records to be transcribed on typewriters. When not engaged in stenographic work connected with a hearing he shall do any other work in the office which may be required of him, or of the office stenographer.

11. The office stenographer shall make a carbon copy of letters and after letters have been written, signed and returned, run them through the roller copier, and mail them in addressed envelopes and see that all documents and enclosures mentioned go forward promptly.

**File Clerk.**

12. It shall be the duty of the File Clerk to have charge of the mail and to distribute all personal mail to the parties addressed. He shall have the exclusive handling of the mail, except in an emergency.

13. All letters addressed to the Commission shall be opened by the File Clerk and numbered in consecutive order; at the same time there shall be made out subject cards with corresponding numbers, these subject cards to contain in addition to the number, the date, name of writer, name of firm if any, and subject of letter. After the subject cards are made out the letters shall then be referred as follows: to each Commissioner the letters from his Congressional District; to the secretary all letters from outside the state; to the rate clerk all tariffs and matters pertaining to rates. Any letters on Commission matters received in personal letters shall go at once to the File Clerk for proper entry and all correspondence on Commission matters must go through the regular channels.

14. All letters in general correspondence shall be kept in a file in numerical order in series of hundreds. Special files may be kept by the File Clerk on requests for maps, laws and other publications and special subjects. Such files to be kept in numerical order, the same as the general file. When a letter is removed from the general file, or special file, a slip must be submitted bearing the number of the letter removed and showing its disposition, such slip to remain until letter is replaced. Letters pertaining to complaints to be filed with such complaints, the slip in general file to bear such notation.

15. The subject cards shall be kept in the same numerical order as the letters and must show the disposition of letters taken from the files temporarily or permanently. Cross-index cards shall be made out for each subject in letter as name of writer, firm and post office. The File Clerk shall remove the tissue copies of letters from roller copier, cut out each letter and file in order and index. When the number of copies is sufficient they shall be paged in consecutive order, bound in book form, the book numbered and a memorandum made showing the earliest and latest dates therein contained. Carbon copies of letters shall be attached to the letters answered. If not in reply to pervious correspondence, then the carbon shall be filed alphabetically in a special file, to be removed and attached to reply when received. Carbon copies remaining in such file showing unanswered letters should be carefully noted by File Clerk and called to the attention of the Com-

mission from time to time. All requests for letters or documents must go to the File Clerk who shall have sole charge.

16. All letters making complaint requiring the action or good offices of the Commission shall be classed as informal complaints and take consecutive numbers. They shall receive a cover or jacket, with a fastener attached, so that all subsequent correspondence may be attached in order.

17. Such informal complaints to be kept in a special file in consecutive order, and the contents in each case endorsed on the jacket or cover.

18. When a formal complaint has been entered by the Commission all papers in the informal complaint shall be transferred to a closed file, the cover showing, in addition to the list of papers therein filed, the notation of transfer.

19. A docket shall be kept for both informal and formal complaints in which the Secretary shall keep a record of all the proceedings had, with proper notations when the cases are closed. On the completion of a formal hearing the testimony, as soon as transcribed, shall be suitably bound and filed in the case.

#### **Rate Clerk and Statistician.**

20. All tariffs on file and hereafter received shall be kept by the Rate Clerk, who shall keep separate files for each railway. He will keep thoroughly informed of all changes, cancellations and amendments to existing tariffs and their effect on rates. He shall secure and keep in the files such tariffs governing interstate shipments as may be of interest to the state of Washington and he shall furnish such information to the Commission from time to time as called for.

21. It will be his duty to compile the information contained in the annual reports of the railways in the state into suitable statistical tables, ready for publication in the annual report of the Commission.

22. He will keep informed of rulings of the Interstate Commerce Commission governing rates, and, generally, all matters pertaining to rates within or effecting the state of Washington.

#### **Generally.**

23. Letters of general or special interest going to the Secretary's desk shall be called to the attention of the Commission. Tariff changes of importance noted by the rate clerk shall be called to the attention of the Commission.

24. Letters in reply to previous correspondence should be referred to the person who wrote, regardless of any other rule herein contained. Letters going out of this rule should be returned to proper party as soon as noted. Letters involving construction of the Commission laws, or of administrative practice of the Commission, or of any special importance, should be called to the attention of all the Commissioners.

**RULES AND REGULATIONS ISSUED BY THE RAILROAD  
COMMISSION OF WASHINGTON**

**Governing the Transportation of Passengers, Record of Car Distribution, and Safety Devices on Railroad Within the State of Washington.**

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**Tickets and Mileage Books.**

1. Any and all regular trip tickets sold by any railroad company in this state for use within the state at maximum fares shall entitle the person lawfully holding the same to continuous transportation between points designated in such ticket within one day from and after the date of sale. Any railroad company may at its discretion refuse to admit any person to its cars unless supplied with a ticket at any point where tickets are sold. Cash fares collected or received on the train shall not exceed the minimum rates provided by law.

**Unused Tickets must be Redeemed.**

2. The owner or owners or person or persons operating any railroad in this state or any railroad doing business therein shall redeem, upon presentation by the lawful holder thereof to any of its ticket agents in this state, the whole or any part of any railroad ticket or evidence of a right to travel upon his, its or their railroad which has been sold within or without this state, by any such owner or owners or person or persons or any of his, its or their duly authorized agents, if for any reason, such holder has not used the same, upon the following terms: If no part of such ticket has been used, it shall be redeemed at the full amount paid therefor; and where the ticket has been used in part only, the unused portion shall be redeemed at the remainder after deducting from the price paid for the whole ticket, the regular tariff rate between the points between which the portion of said ticket was used: Provided such ticket or any part thereof, is so presented for redemption within sixty days after the right to use said ticket has expired according to the terms thereof.

**Interchangeable Mileage Books.**

3. The Northern Pacific Railway Company, the Great Northern Railway Company, and the Oregon Railroad & Navigation Company, together with their branches in this state, operated by them, whether owned or leased are hereby denominated and classified as railroads of the first class. Each of such railroads shall keep on sale at every regular ticket office where tickets are sold in this state, mileage books good for two thousand miles of transportation, which mileage books shall be sold at not to exceed \$50.00; said mileage books shall entitle the passenger to transportation over any of the roads above

mentioned, as well as such additional lines as may be specified by them, or new lines constructed by them in this state together with the usual amount of baggage allowed the holders of first-class tickets. In no case shall a greater amount of mileage be drawn or detached than the mileage actually traveled; nor shall the amount of mileage drawn, calculated at the rate of three cents a mile, exceed the cash fare regularly charged.

#### **Waiting Rooms and Toilets:**

4. All passenger waiting rooms and passenger cars in use by the railroads within this state shall be kept supplied with pure drinking water, and shall be so lighted, heated, ventilated and equipped as to render the occupants of the same reasonably comfortable, the circumstances of each case being considered. Such toilets shall be provided with due regard to sanitation. A separate toilet shall be kept for women which shall be accessible at all times when the waiting room is open, without the necessity of applying to the agent for the key.

#### **Bulletin Boards.**

5. All railroads operating in this state shall place a bulletin board in a conspicuous place at each ticket office on which shall be bulletined the time that each passenger train is due to arrive under its published schedule. It shall be the duty of each ticket agent 30 minutes before the arrival of each passenger train, to bulletin the fact upon said board as to whether the train is on time or not, and if behind time to state as nearly as can be approximated the time to arrive.

6. Whenever there is by reason of an accident or otherwise a break or obstruction on the line of any railroad in this state that will probably delay any passenger train on such railroad for one hour or longer, it shall be the duty of said railroad company whenever the same is practicable and there is reasonable certainty that such delay will exceed one hour, to cause notice thereof to be bulletined at all stations between such passenger train and the place so obstructed, so that intending passengers shall have notice of the fact of obstruction, point of occurrence and probable delay by reason thereof. And the passengers aboard such train shall be informed of the probable delay.

#### **Notice of Accidents or Wrecks.**

7. Immediately upon receiving news of a wreck or accident on its line in this state involving loss of life and fatal injury to passenger or employee, the Superintendent of the division where such wreck occurs shall immediately cause the Railroad Commission of Washington to be notified by wire, at Olympia, giving location and time of wreck and number of the train and number of persons killed or fatally injured.

**Record of Car Distribution.**

8. All railroads doing business in this state shall keep at each station having an agent, a record of car distribution. Such record shall be kept and retained in a suitably bound book and shall be subject to the inspection of any bona fide shipper during business hours. The record must show, in the order in which applications are filed, the day and hour when filed, number of cars ordered, kind of car, commodity, amount to be loaded, point at which cars are to be placed, proposed destination, signature of applicant or authorized agent, day and hour when cars were set in at place for loading, number supplied, together with such other information as the company may desire. Such order shall continue until filled and need not be renewed. An order for a car or cars may be placed with any station agent on the division of the road where such car or cars are desired, by any person desiring to make shipment. It shall be the duty of such station agent, when any car or cars so ordered are to be placed at another station, to notify the agent in charge of such station or siding by wire, and such order shall be entered in the record of car distribution the same as if placed in person. Agents shall, on request, sign a memorandum of order for cars with name and date to be retained by person making the order.

**Shippers May Inspect Car Distribution Books.**

9. A record of car distribution shall be kept at the office of each division Superintendent or Chief Dispatcher of all the railroads doing business in the state, subject to the inspection of any bona fide shipper during business hours. This record shall be made up from daily reports of all station agents on such division, and shall contain the information set forth in the preceding rule. It shall be kept so as to show the shipments of principal commodities. The names of all persons ordering cars on such division shall appear on such record and such record shall show cars loaded for foreign roads, whether on company cars or on foreign cars. A monthly abstract of this record in duplicate shall be supplied to the Railroad Commission promptly at the close of each month; provided, however, that whenever any division has during the month supplied all cars ordered during such month, a statement to that effect rendered to the Commission shall be a sufficient report and abstract.

**Safety Device for Passenger Trains.**

10. All the railroads doing business in this state shall equip the rear platform of every passenger train with a suitable backup hose as recommended by the Eleventh Annual Convention of the Air Brake Association in 1904.

**Rules to Be Posted in the Passenger Stations.**

11. A copy of the foregoing rules and regulations shall be by each railroad operating in the state, kept posted in a conspicuous place in

the waiting rooms of all passenger stations within the state. Such copy shall be printed on cardboard, in type not smaller than pica.

**Penalty for Violation of Rules.**

Wilful violation of any of the foregoing rules shall subject the railroad company so offending to a penalty of not more than \$2,000 as provided by Sec. 18, Ch. 81, Laws of 1905.

**THE RAILROAD COMMISSION OF WASHINGTON.**

H. A. FAIRCHILD, *Chairman,*

J. C. LAWRENCE,

JESSE S. JONES,

*Members of the Commission.*





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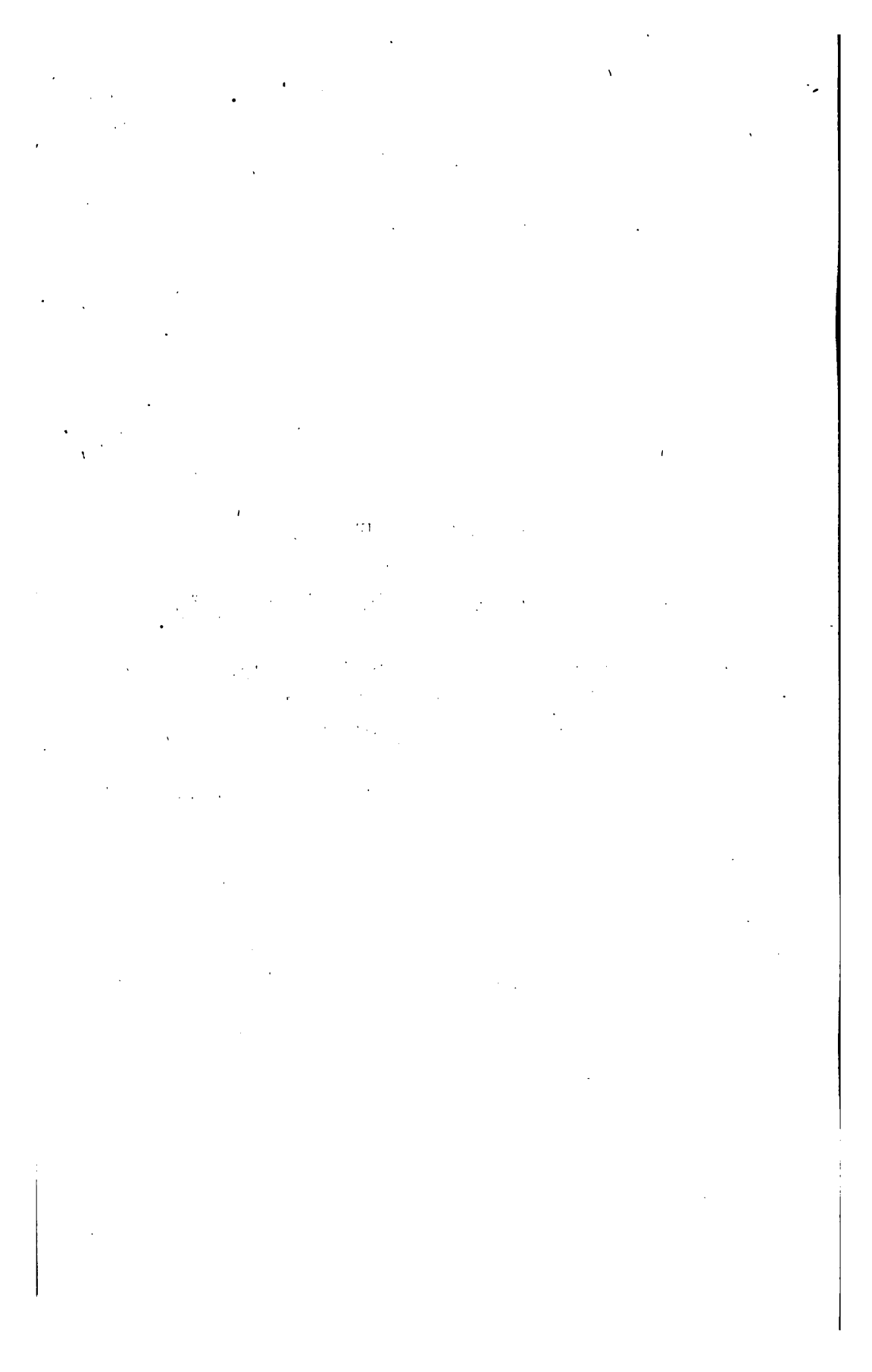
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**REPORT OF**  
**ATTORNEY GENERAL**

**GIVING STATUS OF PENDING CASES  
INVOLVING ORDERS OF THE  
RAILROAD COMMISSION.**

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**REPORT OF ATTORNEY GENERAL, GIVING STATUS OF  
PENDING CASES INVOLVING ORDERS OF THE  
RAILROAD COMMISSION.**

SEATTLE, WASH., Nov. 21, 1908.

*The Railroad Commission of Washington, Olympia, Washington:*

GENTLEMEN.—I submit herewith a statement of the status of the Railroad Commission litigation, of which I have had charge under the Attorney General since the retirement of Mr. A. J. Falknor, who up to March 1908, had charge of this litigation.

(1) Case of Oregon Railroad & Navigation Company vs. The Railroad Commission of Washington, the Northern Pacific Railroad Company and the Great Northern Railroad Company pending in the United States Circuit Court for the Western District of Washington, Northern Division, Cause No. 1570.

This action is to restrain the Railroad Commission from putting into effect its order prescribing a joint wheat rate for the carriage of wheat from points in Western Washington to Puget Sound ports. This case was pending on the demurrer of the state to the bill of complaint of the railroads. The demurrer was overruled and the first action on my part for the state was the interposing of a plea in bar. This was done, submitted, and the state's plea in bar overruled. Subsequently we filed the answer of the state, and the case was at issue and orders made appointing special masters for the taking of testimony in Portland, Eastern Washington, and Seattle and Tacoma. The taking of such testimony is to commence on or about December 1st, and will continue from time to time until February 1st, 1909.

(2) Case of State ex rel. Northern Pacific Railway Company vs. Railroad Commission was pending in the Superior Court of Thurston county on appeal from the order of the Railroad Commission establishing the joint rate on wheat just referred to in the Federal Court. Judgment of the Superior Court of Thurston County was in favor of the order of the Commission. The Northern Pacific appealed, and the case has been submitted to the Supreme Court.

(3) State ex rel. Great Northern Railway Company vs. Railroad Commission was pending in the Supreme Court of Thurston County on appeal from the order of the Commission prescribing the joint rate on wheat above mentioned. Judgment was entered by the Superior Court of Thurston County sustaining the order of the Commission, and appeal was taken by the Railway Commission. The record was perfected, and briefs written, and the case has been argued and submitted to the Supreme Court, where the same is now pending, awaiting the decision of the court.

(4) State ex rel. Oregon Railroad & Navigation Company and North

ern Pacific Railway Company vs. the Railroad Commission was pending in the Superior Court of Thurston County, involving the order of the Railway Commission, which had prescribed a joint rate for the carriage of potatoes from points in Eastern Washington to Puget Sound ports. Judgment was entered by the Superior Court reversing and annulling the order of the Commission. From this judgment the Railroad Commission appealed. The record was perfected, briefs written, and the cause submitted to the Supreme Court, and now awaits the decision of that court.

(5) The case of State ex rel. Northern Pacific Railway Company vs. the Railroad Commission was pending in the Superior Court of Thurston County, and involved the granting terminal rates on hay, oats, barley and mill feed to the cities of Aberdeen, South Bend and Bellingham. The judgment of the Superior Court of Thurston county reversed and annulled the order of the Commission, and the state appealed. The record and briefs were filed in the Supreme Court and case argued, where the same is now pending, awaiting the decision of that court.

(6) State of Washington ex rel. Oregon Railroad & Navigation Company vs. the Railroad Commission of Washington was pending in the Superior Court of Thurston County, and involved the order of the Railroad Commission directing the Oregon Railroad & Navigation Company and the Northern Pacific Railway Company and the Spokane & Inland Railway Company to make track connections at eight different points in Eastern Washington. The Superior Court of Thurston County sustained the order of the Commission. The Oregon Railroad & Navigation Company appealed. The record and briefs were prepared and filed, and the cases argued in the Supreme Court, where same is now pending, awaiting the determination of that court.

(7) The case of State of Washington ex rel. John D. Atkinson, Attorney General, vs. Northern Pacific Railway Company was pending in the Superior Court of Thurston County, and was a suit by the state to recover a penalty from the defendant Railway Company for the violation of the Sixteen Hour law. This suit resulted in a judgment in favor of the state, from which the Railroad Company has appealed to the Supreme Court. Briefs have not yet been submitted in this case by the appellant, but the cause will probably be reached in the January term, 1909.

(8) State of Washington ex rel. John D. Atkinson, vs. the Oregon Railroad & Navigation Company was pending in the Superior Court in Whitman County, and was an action to recover a penalty of the defendant Railway Company for the violation of the Sixteen Hour law. This case has been allowed to remain pending in statu quo, since it involves the same question as the next preceding case against the Northern Pacific Railway Company, it being intended that the Northern Pacific case shall be the test case, and the Oregon Railroad & Navigation case shall abide the result of the Northern Pacific prosecution.

(9) State of Washington ex rel. John D. Atkinson, Attorney General, vs. the Great Northern Railway Company was pending in the Superior Court of King County, and was a prosecution of a penalty against the Great Northern Railway Company for violation of the Sixteen hour law, and is allowed to remain in statu quo, awaiting the determination of the test case above mentioned against the Northern Pacific Railway Company.

(10) Case of H. A. Fairchild et al. vs. Northern Pacific Railway Company is pending in the Superior Court of Thurston County, and now stands upon the demurrer to the answer of the defendant, Railway Company. This case involves the Reciprocal Demurrage law, and can be brought on for hearing in the Superior Court as soon as the calendar of that court will permit, and a judge called in to hear this and other causes, Judge Linn, the regular presiding Judge of Thurston County court being unable to preside by reason of a period of sickness.

(11) State of Washington vs. the Northern Pacific Railway Company is pending in the Superior Court of Thurston County, and is for a penalty for violation of the Safety Appliance law. The status of this case is the same as the Reciprocal Demurrage case. The same will be brought on as soon as the court calendar will permit.

(12) State of Washington vs. the Northern Pacific Railway Company. This case involves the enforcement of the rules prescribed by the Railway Commission with reference to the sale of mileage books, and other matters which rules and regulations the Railroad Company has in part disregarded. This case was commenced in April, 1908, and is still pending in the Superior Court, where the same may probably be determined during the early part of the year, if the calendar of the Thurston County court will permit.

(13) State of Washington ex rel. Northern Pacific Railway Company vs. Railroad Commission is pending in the Superior Court of Pierce County, and is an appeal by the Railroad Company from an order of the Railroad Commission prescribing a reduced rate on slab wood hauled by the Railway Company from the St. Paul & Tacoma Mill to the Carstens Packing Company plant. The case is pending upon the motion of the Railway Company to take testimony before the Superior Court, in addition to the testimony which was taken before the Commission and certified by it to the Superior Court. The point upon which this case is now pending is the same question of law which has been raised in three of the cases above mentioned, which are now pending before the Supreme Court; the contention of the Railway being that, since our Railway Commission law requires the Superior Court to hear and determine the appeal upon the testimony taken by the Commission and certified by it to the Superior Court, such provisions deny the Railroad Company a proper, judicial hearing, and that this provision of the law is, therefore, not constitutional. The Judge of the Superior Court of Pierce County, before whom this case is pending, intimated a reluctance to pass upon this question while the same was pending for determination in the

Supreme Court. It is probable that this case will now be submitted for the determination of the Superior Court upon the briefs which were written and have been submitted to the Supreme Court in the Great Northern Joint Wheat Rate case, which case involves the same question as is now a issue in the Carstens Packing Company case. If the Supreme Court shall sustain the contention of the state as to the construction of the statute we may then expect a prompt decision from the Superior Court of Pierce County upon the question now at issue before the court in this particular case.

(14) State of Washington ex rel. Northern Pacific Railway Company vs. The Railroad Commission is pending in the Superior Court of Pierce County, and is an appeal by the Railway Company from an order of the Commission, requiring the Railroad Company to furnish a spur line of railroad to the Burnham Mill. This case is pending on a motion of the Railroad Company to take further testimony before the Superior Court, and involves precisely the same question as just above referred to in the Carstens Packing Company case, and is in exactly the same situation. We may hope for a prompt decision upon this issue immediately after the determination of said question which is before the Supreme Court in the Joint Wheat Rate case.

The five cases above mentioned which have been submitted to the Supreme Court involved the preparation of extensive records, which it was necessary to transmit to the Supreme Court, and the question involved in these appeals required somewhat extensive investigation. The cases involving the Sixteen Hour law, Reciprocal Demurrage law, and the Safety Appliance law which are still pending in the Superior Court of Thurston County have been delayed somewhat because of the summer vacation months, and by the sickness of Judge Linn, and have also been somewhat interfered with by the pressure and amount of work which it has been necessary to do upon the other cases, which it was important should reach the Supreme Court and be submitted at the earliest possible time. I may add, too, that a portion of my time has been necessarily occupied in the tending to certain other matters of which I had special charge in the Attorney General's office prior to the taking of this work, and which matters, on account of my familiarity with them, it was impracticable to turn over to any other member of the state's legal department. I refer particularly to a large number of appeals and contests pending before the United States land offices, involving many thousand acres of the state's school land selections.

Unless somethin unforeseen should occur to interrupt the course of the above cases the last of these cases should reach the Supreme Court, and have been submitted, during the May term, 1909.

Yours respectfully,

J. B. ALEXANDER,  
*Assistant Attorney General.*

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# REPORT OF H. P. GILLETTE

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## REPORT OF H. P. GILLETTE.

*To the Washington Railroad Commission:*

GENTLEMEN—I have the honor to submit my report on the valuation of railways of the State of Washington.

Before explaining the methods pursued in making the appraisal, it is as well to record the fact that the State of Washington is the first state in the Union to complete the valuation of the railways for the express purpose of using these values as a basis for rate making. Only one other State Railway Commission takes priority over the Washington Railroad Commission in point of time of completing a valuation of the railways within the state, namely the Texas Railway Commission; but it should be remembered that the object of the valuation of the railways of Texas was not for the purpose of rate making but for the purpose of limiting the issues of stocks and bonds—that is, to prevent “stock watering”—which presents quite a different problem from that presented to the Washington Railroad Commission. Vastly greater interests are at stake when railway values are to be used merely to limit the issue of stocks and bonds of railways chartered within the state. Hence, both the scope of my investigation of railway values, and the methods used were radically different and necessarily much more complex than prevailed in the Texas appraisal. For example, in the following out of the requirements of the Washington statute, you felt impelled to secure all the data enumerated by the Supreme Court of the United States in the celebrated Nebraska rate case, known as the *Smythe v. Ames* case. The Supreme Court held in its decision of that case that a rate making body must consider, among other things:

- 1st. The original cost of the railway, plus improvements, and betterments.
- 2nd. Its cost of reproduction new.
- 3rd. Its present value ascertained by deducting its depreciation from its value new.

Prior to this Washington railway appraisal, no Railway Commission in America had ever attempted to comply with the decision of the Supreme Court in the Nebraska case, and I believe that all the failures on the part of other Railway Commissions in their rate making efforts may be traced directly to their fundamental failure to follow the Nebraska Rate Case decision. Flat rate making has proven abortive, because of attempts to make rates without full knowledge of all the factors which the Supreme Court has held to be necessary in forming an intelligent judgment; and prominent among these factors are the original cost, the cost of reproduction, and the present value.

Two other states besides Texas have made railway appraisals, namely Michigan and Wisconsin; but in neither of these instances was the appraisal made by a railroad commission. Both the Michigan and Wisconsin appraisals were made for purposes of taxation, and were not governed by the Nebraska Rate Case decision.

The State of Washington is the first state to secure the *original cost* of the railways within its boundaries and is, therefore, the first state to investigate the accounting records of the railways with the object of ascertaining the actual original cost and the cost of improvements and betterments.

I mention this fact not merely for the purpose of putting on record the priority which the Washington Railroad Commission can justly claim in following the law as laid down by the Supreme Court, but for the purpose of making clear the magnitude of the task confronting the Commission and its engineers, and experts.

Speaking for myself, I found the precedents established by Texas, Michigan and Wisconsin of little value either in deciding the methods to be pursued in making the appraisals or in estimating the probable cost of the appraisal. I ascertained that the State of Wisconsin had spent about \$11 per mile of railway for making the appraisal and the railways themselves had spent an equal sum, making a total of about \$22 per mile for the joint work done by the state and by the railways, for they both worked together in making the appraisals. When I started the appraisal of the railways of Washington, I believed that the appraisal would cost far less than \$11 per mile, and I am glad to say that the cost has actually been not more than \$13 a mile, although I regret that it was even as much as that. I had no precedent to guide me in estimating the cost of going through the accounting records of the railways, and I underestimated the time and labor involved in that undertaking. Railway accounting records nearly 40 years old had to be discovered, and analyzed. I say "discovered," for the railways themselves did not know the nature of these early records, even if they knew of their very existence, which in many cases they did not.

At this point it may be well to explain that these early records are far from being worthless as many persons have assumed, for the subsequent improvements and betterments can be added to these original costs, and thus bring the total cash expenditures down to date. This total cash expenditure is a wonderful aid to the engineer in estimating the cost of reproduction. To illustrate by an example, take the actual cost of the item of "Engineering" on the Northern Pacific Railway. Up to June 30, 1906, it has amounted to \$2,900,000 for the State of Washington, or about 5 per cent. of the total actual cost of construction and betterments. An investigation of this seemingly high percentage disclosed two big items, one being about \$300,000 for the exploration surveys in the Cascade mountains. At the time these surveys were made, no maps were in existence, and the railway engineers were compelled to explore the entire Cascade Range from the Canadian

boundary south to the Columbia river. Today, in reproducing the Northern Pacific Railway no such elaborate exploration is necessary, and, if it were eliminated, the cost of engineering would be reduced to \$2,600,000. In like manner certain other items of engineering would be reduced, so that the total cost of engineering should not exceed \$2,500,000, which is the sum that I used in estimating the item of engineering when making my estimate of the cost of reproduction. It would take several hundred pages to explain my analysis of the original costs, and my use of the data thus obtained in guiding my judgment as to a proper allowance for the cost of reproduction of each item. I wish, however, to say had I not secured the original costs I am positive that my costs of reproduction would be nothing better than engineering guesses in so far as certain items are concerned. For example, the cost of grading, especially through rough and mountainous country cannot be accurately ascertained today by any engineer not possessed of the original records showing the quantities, and classification of excavation, or of the actual costs of doing the grading work. It is true that in the entire absence of original records of any sort, an engineer can go into the field, and cross-section the existing "cuts," and "fills," and make an estimate of yardage of the different classes of excavation, but I should never do this except as the very last resort, and then with the determination of adding a very large percentage for contingencies.

I may state at this point that one of the most potent reasons for securing the original quantities, and original costs, is to eliminate the item of "contingencies" entirely. It sounds little enough to speak of 10 per cent. added for "contingencies," but it would have meant adding just \$5,000,000 to my estimate of the Northern Pacific Railway alone.

Reverting briefly to the cost of appraising the railways of Washington, attention should be called to the lack of logic in estimating the cost of such appraisals in terms of the mile as the unit. The Wisconsin appraisals cost \$22 a mile, but the Wisconsin Railways have an appraised value of only \$30,000 a mile; hence the Wisconsin appraisal cost 70 cts. per \$1,000 appraised. The Washington appraisal cost \$13 a mile, but the Washington railways have an appraised value of \$60,000 per mile; hence the Washington appraisal cost 20 cts. per \$1,000 appraised, as against 70 cts. in Wisconsin. There is not the slightest doubt that it costs more per mile to appraise a line worth \$60,000 a mile than to appraise one costing \$30,000 a mile, if the same methods of appraisal are used; for the \$60,000 line contains many more structures, and details per mile, and higher land values, involving more labor on the part of both accountants, engineers, and right of way appraisers. If this is so, it will be asked why the Washington appraisal cost less per mile, than the Wisconsin appraisal. An answer leads me into the subject of the methods used in making the Washington appraisal, for upon those methods depends the relative economy.

*Methods of Appraisal.* Before entering upon the task of appraising the Washington Railways, I have secured all desired information as to

the appraisals of the railways in Texas, Michigan and Wisconsin. I also saw the engineer of the Minnesota Railway & Warehouse Commission, who had been engaged for six months on the appraisal of the Minnesota railways. I found that the Wisconsin and Minnesota methods of appraisal were practically identical. Both states furnished printed blanks to the railways, and required the railways to make a detailed estimate of the cost of their own property. Upon securing such estimates, the states' engineers checked up the appraisal. This method is advocated largely on the ground that it avoids duplicating the expense of an appraisal, the assumption being that each railway itself will make its own appraisal in any event, whether asked to or not. Therefore, if the railway is required to make its own appraisal first, the states' engineers need not go through all the details but can accept most of the matter after a more or less cursory inspection.

I was wholly dissatisfied with this method, for I felt that it would make it almost imperative for me to accept the appraisals made by the railways practically at their own figures, or to undertake in the end, what I could just as well undertake in the beginning, namely an independent investigation of my own. I need scarcely say that the results of the investigation have served to confirm my position on this point.

Neither the State of Minnesota nor Wisconsin had gone into the matter of the actual cost of the original railway property. This seemed to me a serious omission, not merely because of the Nebraska Rate Case decision, but because of the invaluable data that an investigation into actual costs would disclose.

In estimating the present or depreciated value of structures, rolling stock, etc., both Michigan and Wisconsin had sent experts into the field to estimate the percentage of present value of each unit. In this manner 40,000 freight cars were inspected in Michigan, and their "present value" estimated. To me this seemed to be not only a useless procedure, but very erroneous. Aside from the great expense of thus inspecting each car and structure, I was influenced by a belief in the far greater accuracy of applying what might be termed "mortality tables of structures." If the age of a man is known, his expectation of life can be estimated from mortality tables. Insurance companies do not have their doctors guess at the man's probable life. The doctor merely reports the man as not suffering from disease, and the insurance company having the man's age, applies its mortality tables. In like manner, it seemed to me, the "present value" of a car or locomotive could be accurately estimated if its present age were known. It is a well established fact that a freight car has a useful life exceeding 20 or 25 years. If the average car has a life of 25 years, it loses 4 per cent. of its life every year. Hence, by multiplying its age in years by 4 per cent., its lost life or depreciation is accurately ascertained; and, by subtracting this depreciation from 100, the remainder will give its "present value" expressed as a percentage of its value new.

I believed that it would be far less expensive to ascertain the age of each car, and each structure from the records of the companies, and to estimate the present value by the method just explained, than to inspect each structure in the field. This proved to be the case, and it affected a very substantial saving in the cost of appraisal, while, at the same time, it yielded more reliable results.

In some cases the records in the engineering office of the railways did not show the ages of existing structures, but in such cases their accounting records showed the dates when structures were built, or when cars were purchased.

If practically all the structures shown in the accounting records are still in existence, and the money expended each year for each class of structure is known, it is a very simple matter to figure the average age of the money invested in such structures, which, after all, is what is needed in estimating present value. To illustrate, suppose there are a number of station buildings in existence, whose age is not known. Suppose, however, that \$10,500 was spent for such buildings in 1896, \$20,000 in 1900, and \$5,000 in 1902. Then in 1906, the average age of the money invested in these buildings is ascertained thus:

$\$10,500 \times 10 \text{ yrs. equals } \$105,000 \text{ one year.}$

$\$20,000 \times 6 \text{ yrs. equals } \$120,000 \text{ one year.}$

$\$5,000 \times 4 \text{ yrs. equals } \$20,000 \text{ one year.}$

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$\$35,000 \times 7 \text{ yrs. equals } \$248,500 \text{ one year.}$

This gives a total of \$35,500 invested 7 years; for \$35,500  $\times$  7 years equals \$248,500 one year.

The rule to be followed in all such cases is to multiply the money expended each year for structures of a given class by the age in years, add all these products together, and divide by the total cost of all the structures under consideration. The quotient is the average age of all the structures, or, more strictly speaking, the average age of the money invested in the structures. If some of the structures are no longer in existence, this method can still be applied. Take railway cross-ties for example. Ascertain the total value of cross-ties in the track, then go back through the records of cost and tie renewals, by years, until the total cost of the renewals adds up to the total value of ties now in the track. Then compute the average age as above shown. If the price of ties has fluctuated, ascertain the actual price paid, and reduce all yearly expenditures of renewals to the present price.

It will be as impossible as well as undesirable, in a report of this character, for me to indicate all the methods pursued in the appraisal of railways, but some of the radical departures from precedent should be outlined, particularly, where a result is secured in more thorough, or in a more economic manner. Moreover, any chief engineer who may be in your employ in the future will be greatly handicapped without an outline of the methods pursued in this original appraisal.

In searching the records of the railways, I did not confine myself merely to their engineering, and their accounting books, but often found missing links of information in the most incongruous places. The Oregon Railroad & Navigation Company, for example, had practically none of its "construction ledgers," and at first we despaired of being able to piece together a complete itemized summary of original cost. Finally we found an old tissue copy book, Book No. 51, at the Ash St. Dock in Portland, containing copies of the auditor's distribution sheets, showing costs of engineering, grading, etc., etc.

For several months our work was considerably retarded, not only by the reluctance of several of the railway companies to assist us in finding their records, but by the incompleteness of the records when found. Little by little, however, we were able to fill in the gaps, until there remained not 10 per cent. of the original unascertained.

For the guidance of any engineers whom you may employ in the future, I give a list of the most important records to be looked for in making an appraisal of this character.

1. Annual reports to stockholders.
2. Annual reports to Interstate Commerce Commission.
3. Annual report of chief engineers and superintendents to the president of the road.
4. Reports of minor officials.
5. Progress profiles.
6. Cross-section, and quantity books.
7. Final estimates on contract work.
8. Tissue copy books of final estimates.
9. Rail and ballast charts.
10. Bridge books (Engineering Dept.)
11. Building books.
12. Work orders.
13. A. F. E.'s (Authorization for expenditure.)
14. Accounting records (a) Construction Ledgers, (b) General Ledgers, and their accompanying journals, (c) Vouchers, Registers, (d) Vouchers, (e) Auditor's Distribution Sheets, and the like.
15. Equipment Registers.
16. Distribution Book, or Disbursement Accounts Books, containing directions for accountants to follow.
17. Confidential Reports.

In my judgment the first step to be taken in appraising a railway is to ascertain its physical and financial history. For this purpose the Annual Reports to Stockholders are an invaluable source of information. By a perusal of these reports an historical map or chart can be prepared showing the limits of each "construction division" or branch of the railway, and the dates of beginning and completing the construction work on it. The present "operating division" often have the same names as certain "construction divisions" of the road, but wholly different limits. Hence the necessity of an historical map in order

to avoid confusion in interpreting the accounting records of the road.

Having prepared a map, and a brief history of the road, the next step should be an investigation of the accounting department records. The tendency of a civil engineer is to go to the engineering records first, but this is a mistake, for the accounting records are usually kept in a much better shape, and contain fewer gaps. From the construction ledgers, an itemized account of the original cost of each construction division is secured, and having been secured the next step is to check it by the records of the engineering department, where quantity books, and tissue copy books of final estimates paid to contractors, and the like, are usually to be found. Frequently, however, it happens that a line has been purchased, and that only the engineering records were transferred at the time of the purchase. In which event, it may be impossible to secure the accounting records, except by going to the original owners of the property.

Having gone rapidly through all the accounting and engineering records to ascertain what gaps, if any, exist as to original construction data, the next step is to put engineers into the field to supply the missing links by actual inspection, measurements, etc. An attempt to estimate by field survey should be the last resort, not only on account of the greater cost of field work, but because of its greater inaccuracy, and finally—but not to be ignored—because, in case of a legal dispute as to the estimated cost, field surveys, and estimates made by different engineers are likely to differ widely. There is always so much that can not be seen, like the foundation of bridges, the percentage of loose rocks in embankments, etc., that a field survey should be used only as a last resort. And, in our appraisal of the Washington railways, field surveys were made only for a very small percentage of the total mileage.

A field inspection of every mile of track should be made, preferably by an engineer riding on a handcar. This engineer should be provided with complete, up to date profiles, and small scale plans of the road, showing all structures, and their dimensions, etc. I made the mistake of accepting the existing profiles and plans for use by the field inspectors. These records were so often incorrect, through not having been kept up to date, as to cause much unnecessary work subsequently in checking. Haste in sending out field inspectors is a mistake, as field inspection of this sort is the most inexpensive item of an appraisal, and can be quickly done even with a comparatively small force. One man on foot will inventory about 12 miles of ordinary track each day, or twice that amount on a handcar. Field inspection, therefore, should not be begun until corrected up to date profiles, and maps have been prepared, and until the investigation of the engineering records has been carried far enough to disclose the particular structures upon which the office records are incomplete. By doing this, the field inspection resolves itself into a checking off of structures with an occasional pause to measure some structure on which the office records are defective.

The appraisals heretofore made in other states have been based almost entirely upon field surveys, and inspection, no attempt having been made to secure the necessary data from the engineering and accounting records of the railways. Why? The answer is found in the purpose of the appraisal. As previously stated, the purpose of the appraisals in Texas, Michigan and Wisconsin was not the same purpose as in Washington. Where the purpose is taxation, a railway naturally seeks a low valuation for its property, hence it prefers to refuse access to its own records, believing—and believing rightly—that what can not be seen with the eyes will not be likely to appear in the appraisal. An appraisal by field examination solely is very apt to be below the true value of the property, hence the acceptability of such an appraisal by the railways, where taxation is the purpose of the appraisal.

Several of the principal railway systems in Washington at first resisted our efforts to secure the records in their offices, and stated that the records were so incomplete as to be valueless. In some instances, I have no doubt that this was an honest opinion. I am inclined to believe, however, that their motive in resisting an examination of the records was, in some cases at least, to secure an appraisal which could be fought in the courts, and probably upset by producing documentary evidence to prove its unreliability in parts, if not in its entirety. Therefore, I hold to the belief that an investigation of both the accounting and engineering records of the railways would have been the best policy even had it cost many times what it did cost. And, to show my reason for this belief, I will cite just one example. In testifying before your honorable body, Mr. Hogeland, chief engineer of the Great Northern Railway, has estimated the cost of earth excavation to be made up of three different items as follows:

Average contract price up to 1,000 ft. haul.....	\$9.23 per cu. yd.
Average overhaul .....	0.035 per cu. yd.
Transportation of men's tools, supplies.....	0.045 per cu. yd.

Total .....	\$9.31
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Had we not secured the actual records in the Great Northern offices, it might have been a difficult matter to convince the court that the last two items of the above estimate are ridiculously high. Having the records, it will not be so difficult. For example, the actual cost of the item of "average overhaul" was just one-seventh of Mr. Hogeland's estimate, or one-half per cent. per cubic yard, as shown in my statement of the actual cost of construction of the Great Northern Railway, in the State of Washington. The item of transportation of men was similarly overestimated.

I will not enter into such details further, but, in justice to myself and you, I feel it my duty to explain *why a departure from precedent in railway appraisal was the best policy*. Such an illustration as the above will serve better than many generalities to show the character of the reasons for our exhaustive investigations into the original cost



of the railways of this state. Were you, as a court, or were any other court, confronted by the conflicting testimony of expert engineers, it would be difficult to arrive at a just opinion as to proper quantities, and prices, unless the actual data were available to guide you. The data are available, and are now in your possession.

I have not touched upon the very important matter of the appraisal of the rolling stock, or equipment, further than to say, that I did not make a field inspection of it. The office records were so complete, that such an inspection was superfluous, and for the reason above given. In order to apportion to the State of Washington its share of the cost of the rolling stock, it was necessary to appraise the entire equipment of every railway system entering the state. This, in itself, is no slight task. Several states should share the cost of appraising the equipment of the railways, so that the whole cost would not fall on one state, as in this instance.

If Washington, Idaho, Montana, the Dakotas, and Minnesota could have acted in concert, the cost of railway appraisal would have been very much less, not only because of the distribution of the cost of appraising the equipment, but because of the facility with which an entire railway system can be appraised once an engineer becomes familiar with the accounting, and engineering records of that railway system. For this reason, as well as for others, the Railroad Commissioners of certain groups of states should strive to act together.

The appraisal of right of way lands and station grounds, as far as present values goes, was delegated principally to three right of way experts, men who had been buying lands for railway purposes in Washington, and were familiar with prices. Your honorable body adopted a method of arriving at land values which was entirely novel, and, to my mind, a vast improvement over any other method hitherto used in other states. The method consists in calling in real estate men in all the large cities, and securing testimony from those men as to land values. Your honorable body, sitting as a court, hears the testimony not only of the regularly employed right of way experts, but of expert real estate witnesses, which those right of way experts have consulted, and other real estate experts which the railways may bring in. Hitherto the practice has been to examine all real estate transfers within a certain distance of the railway property, and for a period of years prior to the appraisal, and to base the appraisal upon these transfers. Since property for railway purposes usually costs more than for other purposes, it is necessary to multiply the value ascertained from transfers of adjacent property by some factor, this factor being ascertained from expert testimony or otherwise. Unfortunately the records of the real estate transfers are not the best evidence of the value of the property transferred. Indeed, the records are often made so as to *conceal* the real value of the property. For this reason alone, the method devised by your honorable body is much to be preferred. Moreover, it is a less expensive method of appraising lands.

As to my methods of appraisal, I need say little more. My testimony before your honorable body is complete on those matters, but, being of great length, I have thought it wise to summarize certain features in this report, giving also a few suggestions, which may assist any engineer who may be in the employ of the Washington Railroad Commission in future.

It is needless to tell you, but for the sake of public record I desire to say, that on all the smaller railways in Washington I was given most courteous treatment, and had ready access to all records. On the three large systems, namely the Great Northern, the Northern Pacific, and the Oregon Railway & Navigation Company, I met with much resistance at first, and lost several months of time in consequence. Denial as to the existence of certain important records was repeatedly made—records that I subsequently found. Possibly these denials were made in good faith, but, since free access to all records was not given me by the Great Northern and the Northern Pacific for a long time, and then only after I pieced together enough information to prove the existence of the desired records, my work was greatly retarded. I think that these railways came ultimately to see that it was an error not to put all records at my disposal, and all I regret is that they were not prompt in reaching that conclusion. I regret it not only because of the increased cost of the appraisal, but because I had business duties in New York that made my return imperative at as early a date as possible.

In conclusion I wish to express my hearty appreciation of the loyalty and zeal with which my assistants worked. Those in the most important positions worked not only by day but by night. I know of no one who seemed swayed by the fear of "working himself out of a job." My two principal assistants, Mr. Frances W. Collins and Mr. H. L. Gray, deserve special recognition in this report, for upon them fell the brunt of the task. Mr. Collins was located in St. Paul, at the offices of the Great Northern and the Northern Pacific Railways, with a corps of men under his direction. Mr. Gray was located in Portland in the offices of the Oregon Railway & Navigation Co., with a similar corps. In addition, Mr. Gray has had the responsibility of collating the testimony submitted to your honorable body, subsequent to my final testimony in Olympia, after I left for New York.

To your honorable body I wish to express my sincere thanks for the many valuable suggestions that came from you as to the conduct of my appraisal. I wish it were possible for me to convey to the people of Washington my unbiased opinion of your honorable body. As a non-resident my opinion is unbiased. I believe you have shown great wisdom in not allowing yourselves to be hurried into action, for the sake of being able to point to "results." No ordinary citizen can realize the magnitude, and the intricacy of the problem before you. It can become appalling only to one who has come face to face with it, and has delved into its details. So far as I know, you are the first State Railway Commission in America that has not allowed itself to

be drawn into action on rate making before securing the fundamental facts that should govern such action. One of these fundamental facts is the physical value of the railways in the State. A physical valuation is absolutely essential if for no other purpose than to determine a reasonable amount to set aside annually from earnings to cover the depreciation from natural agencies, and from wear, and tear. Tell me the physical value of a given structure, and I can estimate its depreciation in dollars closely. Conceal that value, and I am utterly in the dark. It has become the fashion to "poohoo" the necessity of a physical valuation of railways by commissions having rate making powers. Even had the Supreme Court not ruled as to the necessity of a physical valuation, the necessity would exist, if for no other reason than to solve the important problem of annual depreciation.

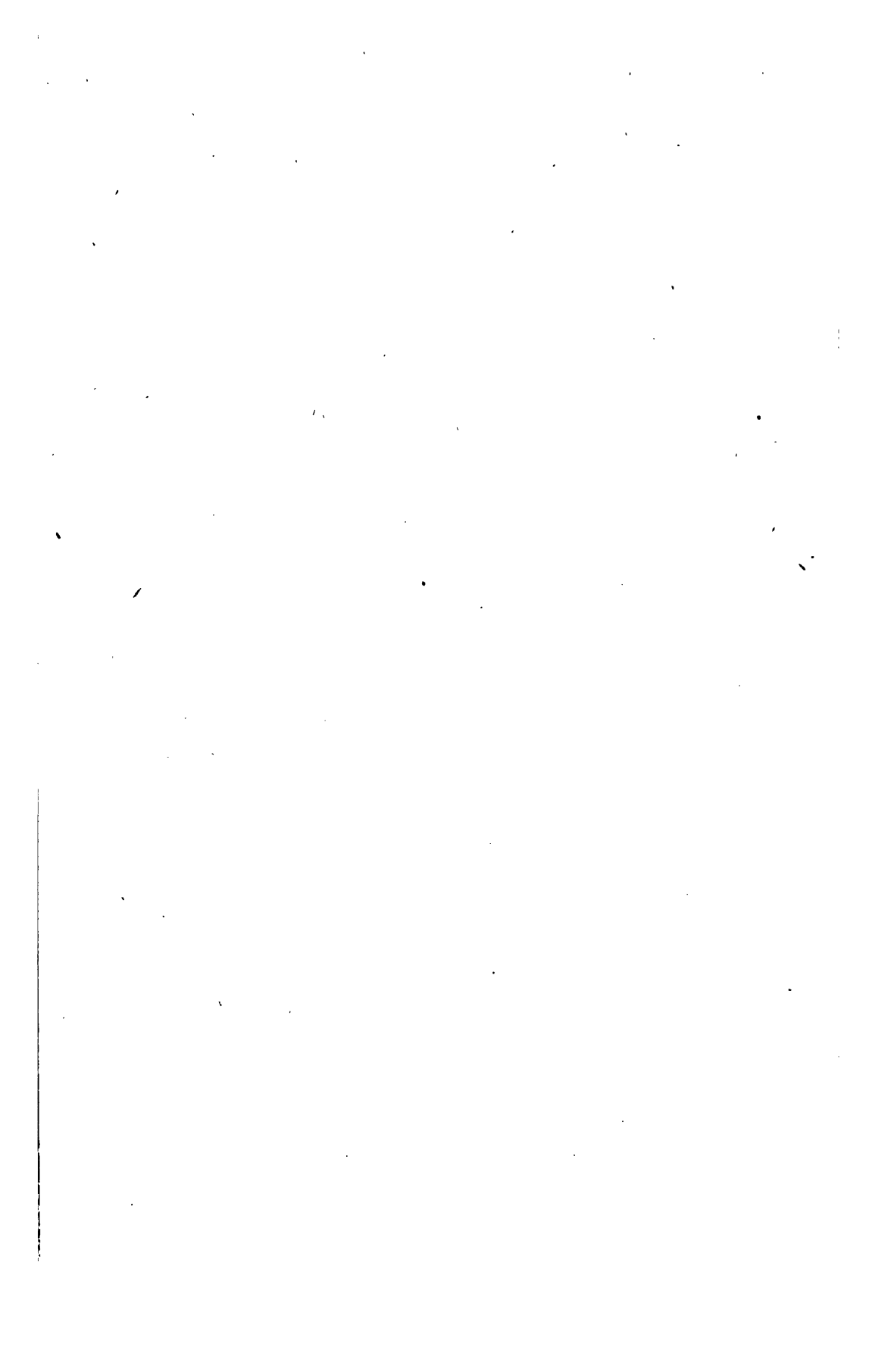
So, time will abundantly justify the wisdom of your course in making a thorough appraisal of the physical value of the railways in the State of Washington.

With sincere esteem, I am,

Very respectfully,

HALBERT P. GILLETTE.

New York City, May 1, 1908.



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Report of the Inspector of Tracks and  
Safety Appliances

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**April, 1, 1907, to November 1, 1908.**

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OLYMPIA, WASH., November 1, 1908.

*The Railroad Commission of Washington, Olympia, Wash.:*

GENTLEMEN—Complying with your instructions that a report be submitted covering the work performed by me as Inspector of Tracks and Safety Appliances, I herewith submit a report of the work done by me covering the period from April 1st, 1907, to Nov. 1st, 1908.

A. W. PERLEY.

*Inspector of Tracks and Safety Appliances.*

## REPORT OF INSPECTOR OF TRACKS AND SAFETY APPLIANCES.

### TRAIN MOVEMENT—CASCADE TUNNEL—PASSING TRACKS.

On assuming the duties of this office on April 1st, 1907, I was instructed to investigate conditions on the Northern Pacific Railway relative to its inability to relieve the congestion of east bound freight. The investigation was ordered by the Commission with a view of ascertaining the necessity and practicability of having this company double-track its lines east and west of the Cascade tunnel to the foot of the mountains and I beg to submit the following report:

This company is pulling one thousand five hundred tons per train west of Ellensburg, and one thousand one hundred tons per train east from Tacoma. Trains make with this tonnage a maximum speed of fifteen miles an hour and minimum of eight miles and hour. Engines are in good condition,—no delay resulting from either tonnage or deficiency of motive power.

Passing tracks at following points with capacity for cars:

Shoskin .....	70 cars	Kennedy .....	80 cars
Thorp .....	140 "	Weston .....	140 "
Dudley .....	70 "	Lester .....	200 "
Kountze .....	80 "	Hot Springs .....	100 "
Bristol .....	140 "	Maywood .....	140 "
Teaaway .....	150 "	Canton .....	70 "
CleElum .....	425 "	Eagle Gorge .....	140 "
Baker .....	80 "	Lamolo .....	50 "
Nelsons .....	140 "	Palmer Jct. ....	70 "
Talmage .....	80 "	Kanaskat .....	140 "
Easton .....	295 "	Ravensdale .....	140 "
Upham .....	150 "	Henry .....	60 "
Martin .....	200 "	Covington .....	140 "
Stampede .....	170 "	Wynaco .....	70 "
Borup .....	150 "	Auburn .....	250 "

These passing tracks are admirably located and are designated for east and west bound trains, and average about  $3\frac{1}{4}$  miles apart; there being 24 passing tracks in 79 miles between Ellensburg and Palmer Junction, and 30 passing tracks between Ellensburg and Auburn. On an average of fourteen days,—from March 23 to April 5,—27.4 trains were run through Stampede Tunnel,—one train in fifty-two minutes.

Some delay is caused by the lack of attention on the part of train dispatchers in leaving trains in sidetracks when not necessary.

The delay at Easton is unavoidable—by cutting the train and placing helpers.

In addition to these regular trains through the tunnel, the company has a steam shovel and work trains at Lester and Cle Elum repairing recent damages. This doubtless contributes somewhat to delaying other trains. A further source of delay is caused by the congestion of the road at terminals on account of consignees being unable to handle shipments and unload promptly, necessitating the holding of cars in sidetracks. These cars so held must be switched daily for preference loads.

I am informed by officers of the Northern Pacific Railway Company that fifty new locomotives are expected to arrive for the Pacific Division before July 1st.—some of them are arriving now.

While a reduction of tonnage or a double tracking of the Cascade mountains on either side of the tunnel might possibly result in a quicker movement of freight, I do not think the tonnage excessive at present rating, and any construction work necessary in order to double-track this portion would mean great delay to the movement of through freight.

Respectfully submitted,

A. W. PERLEY,  
*Inspector.*

OLYMPIA, WASH., April 8, 1907.

Trains and helper engines over Cascade mountains March 23rd to April 5th, inclusive.

Date.	EAST BOUND.				WEST BOUND.				Grand total daily east & west.
	Fr'ght	Pass.	Helper.	Total.	Fr'ght.	Pass.	Helper.	Total.	
23.....	11	4	0	14	7	4	0	11	25
24.....	11	4	0	15	7	6	1	14	29
25.....	6	4	1	11	8	4	2	14	25
26.....	6	5	8	18	7	5	1	13	31
27.....	11	4	0	15	6	3	0	9	24
28.....	6	4	1	11	8	5	1	14	25
29.....	8	4	3	15	7	3	3	13	28
30.....	6	4	2	12	9	5	2	16	28
31.....	8	4	1	13	6	4	2	12	25
1.....	7	4	4	15	8	4	0	12	27
2.....	10	4	1	15	9	4	2	15	30
3.....	10	4	3	17	8	4	3	15	32
4.....	6	4	7	17	7	4	2	13	30
5.....	10	4	0	14	8	4	0	12	26

Daily average train movement over the Cascade mountains for 14 days 27.4. This is an average for the 14 days of a train movement each 52 minutes. On the busiest day, the 3rd, the average was a train movement each 40 minutes for the entire 24 hours. All trains passed through Stampede tunnel except a few of the helper engines which dropped back from Tunnel Portal.



## CONGESTION AT TERMINALS.

In May, 1907, instructions were given me to report on the cause of so many loaded cars being held on sidings outside of Seattle and Tacoma without being unloaded. This condition was found to have been brought about by the movement of the cars that had been tied up by washouts, snow blockades and congestion of traffic in the east during the winter just passed. On the line being opened, these cars were forwarded faster than the consignees could handle them with the facilities provided.

Owing to complaints coming from the railway companies that the failure of the consignees to unload cars promptly in Seattle and Tacoma was largely responsible for the shortage of cars complained of, an investigation was ordered by the Commission and the following report submitted.

*To the Railroad Commission of the State of Washington:*

GENTLEMEN—Complying with your instructions, an investigation has been made as to the car situation at Seattle, and I beg to submit the following report.

About 95 per cent. of the cars are unloaded in free time; the other 5 per cent. are the ones causing the trouble. None of the consignees interviewed by me had any complaint to make about switching service except in isolated cases which, on investigation, were found to be caused by mistakes always liable to occur from time to time in a large yard like that of Seattle.

You will find enclosed a statement furnishing the numbers of cars, and number of days held, for ten days—from the 18th to the 27th of November. This statement will show who are holding cars for storage purposes.

From the sixth annual statement of the Pacific Northwestern Car Service Association, Mr. F. R. Hanlon, Commissioner, you will notice that demurrage charges are increasing. This association covers Washington, Idaho and Oregon. Most of the demurrage is at terminals.

In 1902 the demurrage collected was.....	\$ 23,867.90
In 1903 the demurrage collected was.....	40,701.64
In 1904 the demurrage collected was.....	52,145.40
In 1905 the demurrage collected was.....	49,378.20
In 1906 the demurrage collected was.....	67,316.50
In 1907 the demurrage collected was.....	114,979.75

This would indicate that facilities were not keeping up with the requirements.

A statement showing wheat unloaded at Seattle from the 18th to the 27th of November is submitted. During this period you will notice that 533 cars were received and 362 were unloaded. 171 cars were on hand at 6 P. M. on the 27th day of November, enough for five days unloading.

Also statement showing miscellaneous freight received and re-leased on the Northern Pacific and Great Northern from November 18th to 27th, 1907. There were 475 cars received and 386 unloaded on the great Northern. This includes cars switched to connecting lines for unloading. 89 cars were on hand at 6 P. M. on the 27th of November. 2555 cars were received and 1386 cars unloaded on the N. P. leaving 1169 cars on hand at 6 P. M. on the 27th. These figures include cars received from other lines for switching.

Complaints are made that the cars are not placed in order of their receipt. When more cars are being received daily than are unloaded it is inevitable that some of them become *buried*. To insist on all cars being placed on their order of arrival would involve so much extra work that the service would be impaired rather than bettered. When the consignee has ten cars in the yard and desires to unload five, the practice is to place the five most available. On the other hand, consignees tell me when a special car is desired and the request made for it, a special effort is made to place it promptly. That, in my opinion, is all that can reasonably be asked. The practice of handling cars in the manner above described may delay the shipper in realizing on the shipment, but under existing conditions I do not see how it can be remedied.

It might be of interest to state that 7182 cars were received at Seattle during October this year, and \$1820.00 demurrage was collected. I am indebted to Mr. Hanlon and the gentlemen in his office for courtesies tendered, and trust this report furnishes the information desired.

Respectfully,

A. W. PERLEY,

*Inspector of Tracks and Safety Appliances.*

### SUMMARY.

SHOWING CARS CONTAINING WHEAT RECEIVED AND UNLOADED AT SEATTLE, WASHINGTON, NOVEMBER 18TH TO 27TH, 1907, INCLUSIVE.

DATE.	CARS RECEIVED.			CARS RELEASED.		
	Via G. N.	Via N. P.	Total.	On G. N.	On N. P.	Total.
Nov. 17th, on hand.....	108	4	107			
Nov. 18.....	56	4	60	4	33	37
Nov. 19.....	44	2	46	2	30	32
Nov. 20.....	19	2	21	19	23	42
Nov. 21.....	19		19	13	22	35
Nov. 22.....	52	1	53	19	27	46
Nov. 23.....	22	7	29	8	33	41
Nov. 24, (Sunday).....						
Nov. 25.....	100		100	18	10	28
Nov. 26.....	57	4	61	23	18	46
Nov. 27.....	36	1	37	47	8	55
Totals.....	508	25	533	158	204	362

Average unloading 36 cars per day; 171 cars on hand 6:0 p. m., Nov. 27th; five days average unloading.

## SUMMARY.

SHOWING CARS RECEIVED AND RELEASED ON TRACKS OF THE NORTH-  
ERN PACIFIC RAILWAY AT SEATTLE, WASH., NOVEMBER  
18TH TO 27TH, 1907, INCLUSIVE.

DATE.	CARS RECEIVED.			CARS RELEASED.		
	Line.	Switch	Total.	Line.	Switch	Total.
Nov. 17th, on hand.....			771			
Nov. 18.....	183	44	177	156	6	162
Nov. 19.....	147	64	211	140	18	158
Nov. 20.....	156	67	223	158	13	171
Nov. 21.....	146	86	182	124	10	134
Nov. 22.....	132	28	160	137	10	147
Nov. 24.....	121	41	162		15	16
Nov. 25.....	108	21	129	157	10	167
Nov. 26.....	172	29	201	149	11	160
Nov. 27.....	96	83	129	137	12	149
Totals.....	1,803	481	2,555	1,271	115	1,386

Average cars released 189 per day; 1,169 cars on hand 6:00 p. m., November 27th;  
eight days average unloading.

## SUMMARY.

SHOWING CARLOADS OF MISCELLANEOUS FREIGHT RECEIVED AND  
RELEASED, GREAT NORTHERN RAILWAY AT SEATTLE, WASH.,  
NOVEMBER 18TH TO 27TH, 1907, INCLUSIVE.

DATE.	Received.	Released.
Nov. 17th, on hand, 6:00 p. m. ....	56	
Nov. 18.....	80	60
Nov. 19.....	38	46
Nov. 20.....	41	35
Nov. 21.....	39	37
Nov. 22.....	37	31
Nov. 23.....	67	80
Nov. 24. (Sunday) ...		
Nov. 25.....	70	54
Nov. 26.....	27	61
Nov. 27.....	35	32
Totals.....	475	386

Average receipts 42 cars per day; average release 39 cars per day; 89 cars on hand  
6:00 p. m., November 27th.

## CHAINED UP CARS.

During the month of May, 1907, many cars were found that were being operated contrary to the provisions of the Federal and state laws governing safety appliances. The defects on these cars were in the main broken draw bars and the cars were hauled chained together, instead of being automatically coupled. This practice being followed by all the lines in this state. A great many cars were handled in this condition west from Pasco to Tacoma. The latter point was found much congested with bad order equipment awaiting repairs. As many as 800 cars of this character being on hand at one time. The attention

of the officials was called to this violation of the law, but the practice was persisted in. Some of the officers thought that this privilege ought to be accorded them in order to avoid delays to traffic by holding cars at intermediate points for repairs. Both the state and federal laws are explicit on this subject and are as follows:

"Cars must couple automatically and be uncoupled without men going between them," compliance with this law being impossible when cars are chained up. My efforts to improve this condition proving unavailing, the matter was taken up with the Commission and a recommendation being made that a suit be instituted by them to recover the penalty provided by the violation of this law. Such suit was instituted by the Attorney General in the superior court of Thurston county and is now pending. Evidently the institution of this suit brought about the change desired and no chained up draw-bars have been handled out of car repair stations by any line in this state since. This has resulted in increasing the force of car repairmen at intermediate stations and in making the operation of freight trains much safer.

#### TRACK CONDITIONS.

Every mile of track in this state has been inspected except the privately owned logging lines, and reports have been submitted to the Commission covering their condition. An inspection of the track of the Great Northern Railway from the Idaho state line to Seattle was made. This track was found in a defective and dangerous condition owing to bad ties. Wrecks were of frequent occurrence owing to bad condition of track. After the investigation of the Milan wreck by the Commission the company immediately put on a large force of men, 800 being employed on 300 miles of railroad. Many thousands of new ties were placed; miles and miles of heavier steel rails were laid and many ballast trains have been engaged in hauling gravel until comparison with other lines in the state is invited. On some of the branch lines of the Northern Pacific and the Oregon Railroad & Navigation Company defective track was reported by your inspector, and the matter taken up with the officials of these companies resulting in much improvement. Too much economy is in my opinion often false economy in track conditions, Branch lines usually are the lines neglected. On the Connell branch of the O. R. & N. one crew of four men were found who were required to look after fifty-three miles. This is an impossible task. The rails are old and very light, and in operating a 100,000 pound capacity car light rails are subjected to great strain and are liable to break and remain undiscovered until a wreck occurs.

#### BACK-UP HOSE.

It was found that the railroads in this state had neglected to adopt an appliance universally used on passenger trains in the East which enables the brakes to be applied from the rear end of the train when it is being backed, and which is an element of safety in train

operation. This matter was brought to the attention of the Commission and an order made requiring the adoption of a back-up hose. This order has been complied with, and passenger trains are now so equipped.

#### SAFETY APPLIANCES.

During the period from April 1st, 1907, to November 1st, 1908, 14,216 cars have been inspected and 1,249 found defective, 1,242 engines inspected and 198 found defective.

#### FOLLOWING IS A LIST OF DEFECTS FOUND FROM SUCH INSPECTION.

##### CARS—

Coupler body broken.....	4
Knuckle broken .....	6
Knuckle worn .....	56
Knuckle missing .....	4
Knuckle pin broken.....	19
Knuckle pin bent.....	30
Lock block broken.....	16
Lock block worn.....	19
Lock block inoperative.....	11
Uncoupling lever missing.....	10
Uncoupling lever bent.....	14
Uncoupling lever broken.....	8
Uncoupling chain broken.....	19
Uncoupling chain kinked.....	12
Uncoupling chain missing.....	9
Uncoupling chain too short.....	14
End casting missing.....	27
End casting loose.....	32
Keeper bent .....	7
Keeper loose .....	19
Keeper missing .....	21
Olevis pin missing.....	19
Cylinder and triple valve not cleaned in twelve months.....	209
Cylinder and triple valve not stenciled with date of cleaning.....	17
Release rod broken.....	47
Release rod missing.....	35
Release rod loose.....	47
Angle cock defective.....	19
Train pipe loose.....	32
Train pipe broken.....	18
Train pipe clamp missing.....	20
Hose defective .....	6
Hose missing .....	10
Hose gasket defective.....	12
Retaining valve defective.....	2
Retaining valve missing.....	27
Retaining pipe missing.....	10
Retaining pipe broken.....	11
Brake rigging defective.....	16
Brakes cut out, not carded.....	207
No brakes .....	12
Hand holds broken.....	10
Hand holds bent.....	19
Hand holds loose.....	15
Hand holds missing.....	29

Ladder round bent.....	7
Ladder round loose.....	32
Ladder round missing.....	14
Sill step missing.....	11
Sill step bent.....	7
Sill step loose.....	9
Coupler high .....	16
Coupler low .....	12
Sharp flanges .....	17
Corner iron loose.....	24
Total cars .....	1,850

## ENGINES—

Coupler out of contour.....	36
Uncoupling lever missing.....	4
Engines operating without pilot.....	6
Sharp flanges on tender.....	18
Sharp flanges on engine.....	10
Uncoupling chain disconnected.....	14
Sill steps missing.....	9
Grab iron missing.....	6
Grab iron bent.....	11
With driving brakes inoperative.....	10
Without any brakes.....	17
Coupler high .....	5
Coupler low .....	27
Lock block broken.....	6
Air pumps inoperative.....	19
Air pumps defective (could not maintain pressure) .....	19

Total engines ..... 258

Grand total defects, cars and engines..... 1,608

The standards for safety appliances have been fixed by the railroad companies themselves and have been adopted by the railroad commissions as standard. Grab irons, sill steps, coupling and uncoupling devices, heights of drawbars, airbrakes, automatic couplers and hand brakes are for the protection of trainmen. The Interstate Commerce Commission lists 127 possible defects on one car, but those enumerated above are the most vital. As these standards are fixed by the railroad companies themselves, the requirement of the law is that these standards be maintained. I am satisfied that the chief officers of the railway companies desire to do this. The minor officials, however, being usually measured by his economy, is disposed to pass defects to the other fellow, and the employees suffer. Cars were found in this state lacking the most common safety appliances, were not equipped with automatic drawbars, with airbrakes, with grab-irons or sill steps. These cases were reported to the Commission and such representations made to the various companies that at present the finding of cars without this equipment is a rarity. Enough attention has not been given to airbrake conditions on some of the lines in the state. Nearly all the roads are mountain roads, and good brakes are not only required by law, but are essential to safe operation. Too much economy has been the means of curtailing the number of car repair men, and the officials

have been indifferent to the proper terminal inspection and the insistence that rules be obeyed by employees. Train line leaks, defective retainers, small air pumps and defective hand brakes are very detrimental to safe operation on heavy grades and these defects are much in evidence. Trains should be thoroughly inspected on leaving a terminal as well as on arrival. Air tests should be insisted upon in all cases. Auxiliary reservoirs should be charged to 70 pounds and full service application made. Were this regulation insisted upon many defects would be repaired before trains leave terminals that are now neglected. These tests are often made with 45 or 50 pounds pressure instead of 70 and is owing to leaks in train line and defective pumps, being unable to get the required pressure. By enforcing this regulation the equipment would soon be placed in such a high state of efficiency that the liability of accident would be much lessened.

#### DEFECTIVE EQUIPMENT.

Many engines and cars were found defective and have been taken out of service until proper repairs are made. Engines were taken out of service with sharp flanges, driving and tender brakes inoperative, air pumps inoperative, defective coupling appliances, flat wheels, and with draw-bars too high or too low. Cars have been taken out of service for high or low draw-bars and missing sill steps and grab irons. It was found that very little attention in many instances was given to the safety appliances on cars offered for interchange. Cars would be marked "Bad order" by the receiving line, switched for days, unloaded and returned in the same defective condition. Appliances should be in the best possible condition when in yards. There they are used most and the occupation is the most dangerous. Much improvement has been brought about in this condition and the defects are now minimized.

#### SWITCH ENGINES.

Switch engines were found working in some of the yards with the tank flush with the tender frame, and the draft casting bolted to the frame. When such engines were coupled to a box car the space was so narrow that men had difficulty in getting on or off the foot board. Some of these engines were not equipped with grab irons, and the uncoupling lever was used as a grab iron. In some instances this uncoupling lever had a lateral motion of several inches. The law says grab irons shall be securely fastened, consequently this was not in compliance with it. The Commission condemned these engines, and I was instructed whenever one in such condition was found to have the requisite changes made, which has been done.

#### WRECKS.

On August 13th, 1907, I was instructed to visit, in company with the Commission, the scene of a passenger train wreck on the Great

Northern Railway near Milan, 20 miles east of Spokane. The wreck occurred on August 10th, resulting in injury to a large number of passengers. No deaths. The wreck was the result of a derailment. The front left-hand driver of the engine had left the rail on the inside. The train had apparently run in this condition 350 or 400 feet. The baggage and mail cars kept to the track, while all the other coaches had left it. The smoking car turned completely over and stood right side up off its truck 100 feet from the track. My testimony given at the hearing held by the Commission at the scene of the wreck and at Olympia, was in substance to the effect that the spreading or turning of the rails caused the derailment and that this was due to the fact that ties had not been placed properly under the rails; that the track was not surfaced and the old ties were not changed from their bed. Heavy rains followed, washing away the earth under the new ties, which caused the new ties to settle and be of no support to the rails. The old ties remaining were insufficient to hold the rail in place under the strain and impact of a heavy passenger train.

*The Railroad Commission, Olympia, Wash.:*

GENTLEMEN—I have made an investigation of wreck of Great Northern passenger train No. 4 on May 22nd near Downs, Wash., and beg to report as follows: On May 24th, a freight train westbound, had a wheel break six miles east of Downs. This wheel was made by H. & B. Co., dated June 19th, 1906, and about twenty-four inches broke out of the rim, and was under Great Northern car No. 28672, loaded with coal. The train crew discovered this wheel at Downs, notified the proper officers, and a four mile an hour order was put on the track for the six miles. The section men going over the track discovered a few broken rails, but all the rails were dented on top. The broken rails were replaced when the men left in the evening. One man (a Greek) was left to follow every train that passed during the night to detect any further damage. This man went to breakfast at 7:00 A. M. before being relieved by his foreman. About 7:10 A. M. a heavy westbound freight passed over the defective rails and met the eastbound passenger train No. 4 at Odessa. No one followed this freight train to note results. No. 4 came past Downs about 12 miles per hour and ran off a broken rail. The engineer of No. 4, Donaldson, went over this track about 12 hours after it became defective and knew its condition then, but, at the time of the wreck, doubtless exceeding his four mile per hour order. Westbound freight 1114 that an hour before had passed this point must have broken some of the dented rails. The section men found 150 rails broken. 1180 rails were marked so badly on top that they must be removed, being liable to break at any time. This is being done now. I have talked to the trainmen on the passenger train and they tell me the cars were almost stopped when they fell on their sides.

While no lives were lost, I, being so near the scene of the wreck, make this report for your information. Had the Greek, who was left



to patrol the track remained until he was relieved, this rail would have been discovered. It seems to me that the company had taken every precaution possible.

Respectfully,

A. W. PERLEY,  
*Inspector.*

*The Railroad Commission of Washington, Olympia, Washington:*

GENTLEMEN—A wreck occurred on the morning of November 2nd, at 8:10, about one thousand feet west of the Northern Pacific depot at Pullman, severely injuring Brakemen Samuel Gill and Arthur Scott. From the first reports it was feared that both these men were fatally injured, but later advices are that they will recover.

Engine 349 was engaged in switching, Conductor R. L. Nugent, and Engineer F. O'Conner, being in charge. This engine was working west of Pullman depot and was returning to the east yard with one car of coal behind the engine and a flat car fitted with wood rack in front. The two brakemen were riding on the flat car. Engine 489. Engineer Hollister, Fireman G. Keiger, had orders to run from Pullman to Kendrick in order to help a train and a message from the chief dispatcher urging them to hurry. These trains met, just west of Pullman depot, crushing the flat car and damaging both engines.

The Northern Pacific Railway Company have a bulletin restricting the speed of trains at this point, which is a very dangerous one, being on a sharp curve and in a cut. The fireman of engine 489 was engaged in putting coal in the firebox and the engineer, being on the outside of the curve, could not see the other train approaching. From information obtained from disinterested eye witnesses, I am of the opinion that engine 349 was under control and that engine 489 was exceeding the speed limit.

This point being such a dangerous one, and there having been a number of accidents there, I would recommend that a positive block be maintained for at least two thousand feet west of Pullman depot. This can easily be done by the order board at the depot, or by trains using the main line west of the depot leaving a flagman there for protection.

Very respectfully,

A. W. PERLEY,  
*Inspector of Tracks and Appliances.*

May 4th, 1907.

*To the Railroad Commission:*

GENTLEMEN—Passenger train No. 4 eastbound on Northern Pacific Railway killed one man, and seriously injured another, at Yakima, April 28th, 1907.

This train was pulled by engine 281, Engineer Baird, with Conductor Green in charge. Train consisted of seven passenger coaches, was on time and arrived at Yakima at 2:15 P. M. A horse and

buggy with two men was struck on the second road crossing west of the depot. The train was running between ten and twelve miles per hour, engine bell was ringing and the whistle had been blown at the usual place. From the investigation made by me I am of the opinion that the employees, or the company, were not responsible for this accident, and that it was due solely to carelessness of parties driving the team. The train could have been plainly seen one and one-half miles from point of accident, the track being perfectly straight.

Respectfully submitted,

A. W. PERLEY,  
*Inspector.*

SPOKANE, WASH., April 26, 1907.

*The Railroad Commission, Olympia, Wash.:*

GENTLEMEN—Referring to the wreck on the Northern Pacific one mile east of Kennewick, I have to report: This wreck occurred at about 3:00 A. M., April 21st. Train was eastbound and was wrecked at the foot of about a one per cent grade. The train had forty minutes to come six miles to Kennewick for a passenger train westbound, and therefore had no reason for excessive speed. Train consisted of forty-eight loaded cars, about sixteen hundred tons, engine 1631, Engineer May and Conductor White. Wreck was caused by twenty-four inches breaking out of rim of cast-iron wheel No. 13019. This car was eleven cars from the engine, left the rails about two hundred feet west of a six bent pile bridge. When the train ran on the bridge it knocked the bridge down and twenty-one cars went into the creek. The piece of wheel was found one thousand feet west of the bridge. No injury to track which was in good condition. Ties plainly show marks where wheels dropped from rail and were sound. I do not know what speed train was running, but think about twenty-two miles per hour. When the bridge went down the cavity was deep enough to offer no resistance to the cars falling in, which accounts for the number destroyed. This wheel had an old defect, but one not liable to be discovered, being cracked from the inside, and not showing from the outside.

Yours respectfully,

(Signed) A. W. PERLEY,  
*Inspector.*

SEATTLE, WASH., August 20th, 1908.

*The Railroad Commission, Olympia, Wash.:*

GENTLEMEN—Regarding the death of Mail Clerk Joseph Thompson and the injury of Engineer A. O. Wishard, caused by a collision between passenger trains No. 2 and freight train No. 45 at Woodinville, which occurred at 2:55 P. M., August 17th, 1908, I find that the rules of the Northern Pacific had been violated. Train No. 2, Conductor W. H. Page, Engineer A. O. Wishard, was about one hour late and was running east. Train No. 45, in charge of Conductor H. C. Parlin, and

Engineer A. E. Wistern, was about two hours and twenty-five minutes late going west. Rules of the company, a copy of which is enclosed, read, "All eastbound trains approach West Long Siding and Belt Line Switch at Woodinville expecting to find main line occupied." This rule is made a necessity owing to Woodinville being a junction point, both for the Belt Line and the North Bend Branch, thus giving trains from these lines right to come out on the main line. From the evidence of trainmen and officials, a view of this point where the collision occurred can be had for about 850 feet, quite unobstructed, by a train running east. Owing to Engineer Wishard being in the hospital, I have been unable to see him, but in my opinion, the rule quoted absolves the Northern Pacific from any blame. Trainmen tell me it has been customary to pull out on the main line under this rule for a long time, and that this custom has been understood by them all.

Respectfully,

A. W. PERLEY,  
*Inspector.*

SPOKANE, WASH., Sept. 18, 1907.

*The Railroad Commission, Olympia, Washington:*

GENTLEMEN—An investigation has been made of the wreck on the Spokane & Inland Railway, at Freeman, which occurred at 5:10 A. M. September 15, and in which Engineer O. W. Frost was crushed to death.

Extras M.2 and M.5, both second class trains, were coming towards Spokane. Each crew knew the other train was being operated. Engineer Frost was the engineer on M.5 following M.2. He had discussed with his conductor the possibility of M.2 stopping at Freeman to pick up cars and do switching.

The conductor of M.2, on his train stopping at Freeman, left a man to protect his train. The line at Freeman and for one-half mile before reaching Freeman, is straight without anything to obscure the view. The flagman was out about 600 feet when M.5 came in sight. It was flagged, but flag was not acknowledged by the engineer, as the rules prescribe. When the train ran past the flagman the brakes were not applied, and train was running, also continued to run, about 25 miles per hour until train M.2 was struck. When the trainmen ran to the motor of M.5 Engineer Frost was found sitting in his cab seat crushed to death, his current turned on full force and the air brakes not applied.

The only conclusion is that Mr. Frost, in my opinion, was unconscious from some cause,—that I cannot determine.

The rules of this company are that all trains of this class *must* approach all stations under control, and that responsibility for rear-end collisions is with the following train.

Under the rules M.2 need not have flagged, it being between switches, and straight track and at a station.

Train M.5 had been well handled up to this point, and the testimony of trainmen was that the appliances were in good condition.

This accident could possibly have been avoided had two men been on the front end of the motor, or had the flagman put down torpedoes. Neither of these precautions are required, however, by the rules of the company. The head brakeman was on the rear of the motor sitting down, and had a torpedo been exploded his attention would have been called to the fact of his train having been flagged, and the condition of the engineer discovered.

Ample opportunity had been given the men for rest and the same crew had been on this run for several nights previous.

Mr. Ingersoll, the general manager, tells me that he will in future require two men on these motors. This seems to me what ought to be done, and may prevent disasters. Had Mr. Frost been conscious this accident would not have occurred. •

Men handling these motors tell me that, sitting as he was, it would not have been possible for him to get an electric shock.

Respectfully,

A. W. PERLEY,  
*Inspector.*

OLYMPIA, WASH., October 11, 1907.

*The Railroad Commission of Washington, Olympia, Wash.:*

GENTLEMEN—Extra No. 1505, Conductor T. W. Martin, Engineer L. F. Myers, was wrecked one mile east of Weston at 8 P. M. October 7th, 1907, Fireman Ernest and an unknown man being killed.

I had passed over this track on the 3rd inst. on locomotive and found it in fair condition. The cause of this wreck was excessive speed, the train having gotten beyond control.

The train consisted of 34 loaded cars, engine and caboose, and contained 1500 gross tons.

The airbrakes on three of these cars were inoperative. The train was under all circumstances a hard train to control, being about 49 tons to the brake.

The rules of the Northern Pacific are that trains must be inspected by trainmen, and a card signed by the conductor and engineer as evidence of their knowledge of conditions. Copy of this card signed by Conductor Martin and Engineer Myers is enclosed, and is as follows:

"Extra west 10-7-07, Engine No. 1505, 1500 gross tons in 34 cars, with air operating O. K. on 31 cars, arrived at Easton 3:45, test completed at 4 P. M.

"Airbrakes on engine are ..... condition, pressure 70 and 90 pounds, speed record is in ..... condition, ..... speed sheet (to be filled in after conference). Use of handbrakes and extra precautions, if required, to be .....

"Signed personally by

T. W. MARTIN,  
*Conductor.*

L. F. MYERS,  
*Engineer.*

Report received at 4:15 P. M., and train departed at 4:55 P. M.—E. L. Carr, operator at Easton station."

On coming out of the west end of Stampede tunnel the train was stopped and headed in on a sidetrack, meeting a passenger train. The engineer had told the brakeman that it was hard to hold the train and that he would need some help.

On leaving the Stampede siding, following another train, and with the positive meeting of train No. 54 at Borup, five handbrakes were set. The distance from Stampede to Borup is about six miles. The trip to Borup and the stop was made successfully, the train being stopped at Borup and remaining standing about five minutes. When ready to leave difficulty was experienced in starting the train, and the engineer asked the brakeman to let off some handbrakes, which he did. The train began to gain speed rapidly, and was never under control again.

When the conductor, who was riding on the engine, saw that it was not being properly controlled by the airbrakes, he went out on top of the train, just before the engineer whistled for handbrakes, and commenced to set them. He had set the brakes on about nine or ten cars when the speed became so high that he was forced to sit down and hold on until the train was wrecked, at a point about four miles west from Borup.

The airbrakes on the Northern Pacific, and the precautions taken against air failure are as good as on any other line I have ever come in contact with. The men on this train were all experienced mountain men and were all at their proper stations.

The train coming down six miles to Borup, and being stopped there without difficulty, demonstrates that the appliances were sufficient to hold it.

Several possible occurrences might have caused this run-away, to-wit:

Were an angle cock accidentally turned while the train was standing at Borup,

Were the train to leave before the train line was properly charged,

Or was the speed allowed to become too high before applying the brakes after leaving Borup.

As twenty-nine of the cars were destroyed by fire, the cause of this wreck is purely conjecture.

The car foreman at Ellensburg, where the train was made up, has told me that two of his best men had carefully gone over and inspected the airbrakes.

Four days before this accident I was in Ellensburg inspecting equipment, and discussed with the car foreman the vital importance of having the heavily loaded westbound trains in first class condition as to airbrakes.

I am unable to state definitely the primary cause of this wreck.

Respectfully,

(Signed) A. W. PERLEY,

*Inspector.*

PALOUSE, Oct. 18, 1907.

*Railroad Commission, Olympia, Washington:*

GENTLEMEN—J. F. Cornwell, a brakeman employed by the O. R. & N. Co., was killed at Grange City Junction at 9:45 P. M. October 8th, 1907. Extra 383 westbound, Conductor Cannon, J. F. Cornwell, rear brakeman, E. Emory head brakeman, E. B. Sharp engineer, T. Schram fireman, were setting their train in on the west end of siding at Grange City Junction leaving the caboose on the main line. Some cars were already on the siding, one of them with a defective draw-bar. The rear brakeman was looking after the rear or east end of the train while it was being pushed in on siding. The head man on getting cars in to clear the main line at west end of siding cut the engine off and sent out on main line with it and began backing east on main line to pick up the caboose. On getting about midway of siding the rear man gave them a signal to stop in order to get on. Just as soon as he got on the rear of the tender, he gave violent back-up signals leading the man on engine to infer the main line was clear. Some cars had, however, been shoved out of the east end of siding too far to clear the main line. The cars were struck by the corner of the tender on which the rear brakeman was riding, crushing him to death. It was the duty of the rear man to see, in the absence of the conductor, that the siding would hold this train and give good clearance at the east end. This he failed to do, resulting in his death.

Respectfully,

(Signed) A. W. PERLEY,  
*Inspector.*

AUGUST 20, 1907.

*To the Railroad Commission of Washington, Olympia.*

GENTLEMEN—An investigation has been made by me of the recent rear-end collision at Kalama, Northern Pacific Railway, which occurred at 4:50 A. M. August 10, 1907, and in which Conductor Carl (who, with his crew, was deadheading) was killed.

Extra 140 leaving Tacoma at 7 P. M. August 9, Conductor Ranley, engine 140, Engineer Jacobus, ran into caboose of extra 167 within the yard limits of Kalama. From the evidence of trainmen the cause of this wreck was an angle cock in train line on the fifth car behind the engine having been accidentally turned shutting off the air on the twenty cars behind this, preventing the engineer from applying more than four brakes.

This train had been stopped at Castle Rock twenty miles from point of accident, and air was then in good condition and working throughout the whole train.

The train crew had been putting off tramps all night, and the fifth car from the engine being an empty stock car it is presumed the angle cock was turned by tramps climbing in or out of this car. When the train had stopped, the Engineer had attempted to back the engine out of the wrecked caboose, but could not do so. He then went back

to see why train could not be moved and met the conductor coming forward at the fifth car behind the engine, and both saw the angle cock cut off.

The crew of extra 140 had ample rest before leaving Tacoma—none of them less than twelve hours—and the crews of both trains had knowledge of the other being on the line. Extra 167, the rear end of which was struck, under the yard limit rules of the railway company did not have to flag, the yard limit board being their protection. The rear brakeman, however, as an extra precaution had orders from the conductor to protect the rear end of his train, which he did by placing one torpedo about 780 feet east from the caboose. The engineer of extra 140 made every effort to stop, and was moving between four and eight miles per hour when rear end was struck. The air had not been applied since train had left Castle Rock. This shutting off of the train line had not been discovered.

All of the employees involved in this wreck bore the best of reputations, and under the circumstances I am convinced the accident was unavoidable. Engineer Jacobus would have been able to stop his train had the air throughout the whole train been cut in.

Respectfully submitted,

A. W. PERLEY,  
*Inspector Safety Appliances, etc.*  
*Railroad Commission of Washington.*

#### THE SIXTEEN HOUR LAW.

The sixteen hour law passed by the last session of the legislature has not received much attention from some of the railroad companies in this state. I have seen letters from officials telling their subordinates to ignore it, claiming it to be unconstitutional. A report of this fact was made to the Commission and a case testing this law instituted in the superior court of Thurston county. A verdict was secured and a fine of \$1000.00 levied against the company. The case, I understand, is now on appeal to the supreme court.

#### BLOCKING OF FROGS.

In 1897 a law was enacted compelling railroads to have frogs, guard rails and switches protected by foot guards and providing a penalty for its violation. The purpose of this law was to safeguard trainmen. Many trainmen have been killed and maimed by having their feet caught in unprotected frogs. Many instances were found where this law was being violated. On some branch lines frogs, switches and guard rails were found unprotected, and in one small yard nine frog swere found in the same condition. This matter was brought to the attention of the proper officials of the lines that had failed to comply with the law and in some instances treated with indifference. A case was consequently filed with the Prosecuting Attorney of Spokane county and is now pending. To the best of my knowledge

all frogs are now properly protected in this state. In some instances it is difficult to keep all blocks in place. One may be burned out, or pulled out by a brake rod, or by derailment, just before the visit of your inspector. Consequently the practice has been adopted of only reporting such cases to the Commission where it is evident that frogs have not been properly protected. This also applies to many minor defects. Much better results can be obtained, and obtained more quickly, by taking up small matters of this kind with the section men, who, in every instance, have been glad to make repairs at once.

#### REMARKS.

Our law should, in my opinion, be made more definite. At present too much is left to the judgment of the inspector. He has power to take engines and cars out of service, and should his judgment be at fault, it might give cause for much adverse criticism. The law should provide for the proper equipment of switch engines, that such engines have proper foot boards, not less than 7 nor more than 10 inches from the top of the rail to the bottom of foot board; that the boards be not more than two inches thick with a toe board at least 4 inches high; proper grab-irons, or the uncoupling lever properly placed for grab-iron; that grab-irons be so placed as to admit of men standing upright on the footboard, and that any engine without such equipment be prohibited from switching in regular yards more than 12 hours nor returned to such service until such equipment be in place.

Employees in train service are required by the various railroad companies to pass a rigid physical examination. They must be able to see and hear accurately. This is a necessary regulation and is called for the interests of public safety. If it is necessary for the train and enginemen to see, the same reasoning should make it incumbent upon the employer to provide equipment from which they can see. Engines are being operated in such defective condition and steam is permitted to escape in such volumes that in some instances engineers and firemen are unable to see even as far as the front of their engine. They might just as well be blind, in so far as being able to see an obstruction on the track, a misplaced switch or a danger signal.

I would, therefore, for the above reasons, ask the Commission to recommend that the law be made so explicit on this subject that the public, the company, the employees and the inspector would make no mistake in placing the responsibility for defects of this character, and that when steam is permitted to escape in sufficient volume to obstruct the view of the men who are operating the engine, that it be made a penalty defect and the company fined.

Warehouses at some stations in this state are built so close to the track that the space is not sufficient between the house and the car to clear the trainmen. It seems to me that the law should prohibit the construction of any building or the piling of any material closer than six feet from the rail.



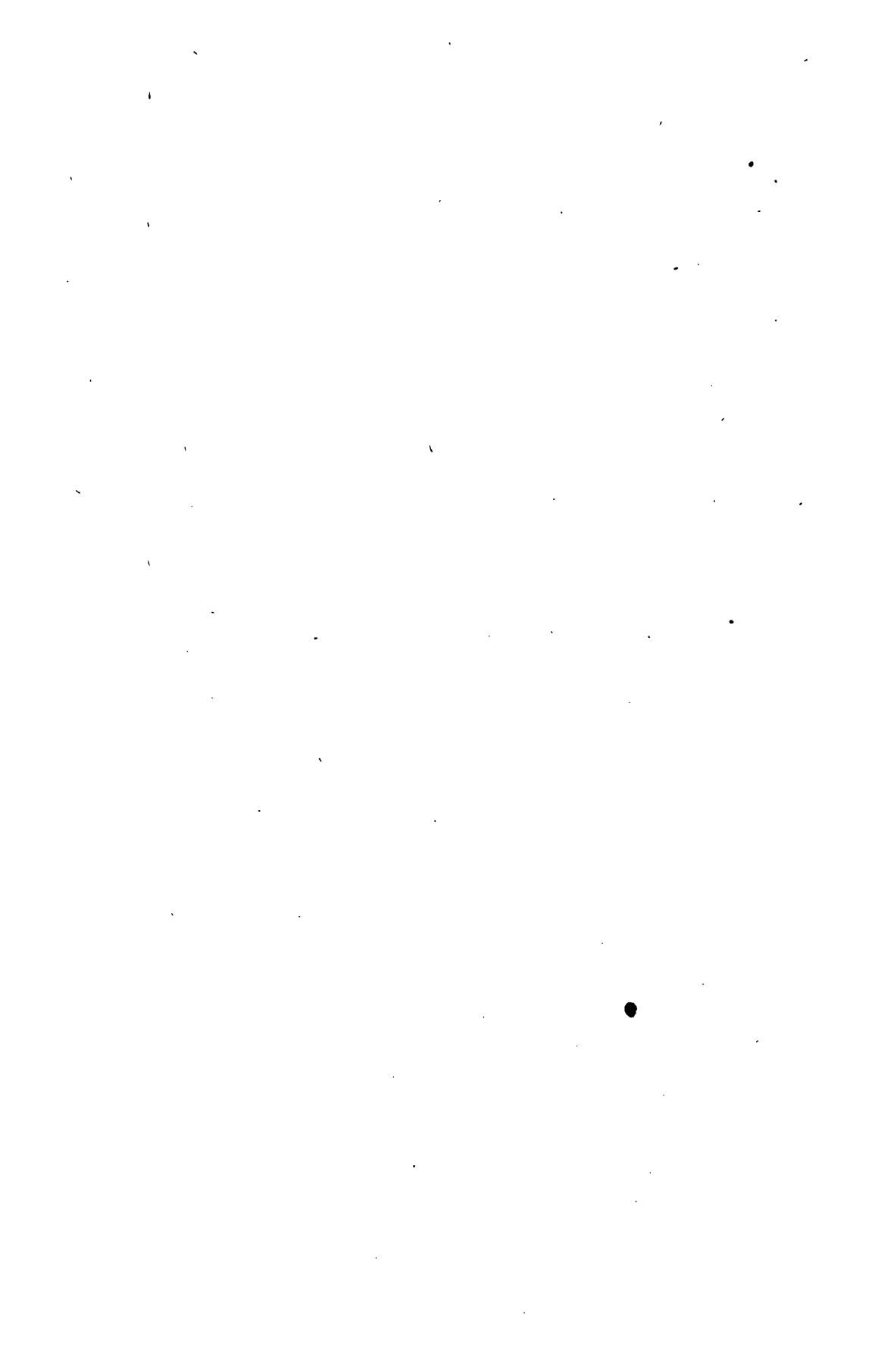
In conclusion, I wish to state that this law has, in my opinion, been beneficial to the public, the railroads and the employees. Your inspector has reported conditions as they have been found impartially, and has reported them from personal knowledge only. He has tried to give every one a square deal and hopes to have performed his duty satisfactorily to the Commission.

I wish to express my appreciation to the Commission, the railway officials and the employees for their help and co-operation in carrying out the purposes of this law.

Very respectfully submitted,

A. W. PERLEY,

*Inspector of Tracks and Safety Appliances.*



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# **INFORMAL AND FORMAL COMPLAINTS**

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## LIST OF INFORMAL COMPLAINTS.

- No. 75. Aberdeen Chamber of Commerce (Aberdeen)**  
v.  
Northern Pacific Railway Company.  
Complaint—Jobbing rates.  
Disposition—Rates adjusted by the Railroad Company without further action by the Commission.  
Case closed.
- No. 76. Hughes & DeKay (North Yakima)**  
v.  
Northern Pacific Railway Company.  
Complaint—Car shortage for Carbon Hill coal.  
Disposition—Partial relief secured.  
Case closed.
- No. 77. Bellingham Industrial Club (Bellingham)**  
v.  
Northern Pacific, and Great Northern Railways.  
Complaint—Train service.  
Disposition—An amicable adjustment was made with the railroads on suggestion of Commission.  
Case closed.
- No. 78. Robert Montgall (Roy)**  
v.  
Northern Pacific Railway.  
Complaint—Car shortage.  
Disposition—Advised to file claim for reciprocal demurrage.  
Case closed.
- No. 79. J. W. Woody (Farmington)**  
v.  
Northern Pacific, and Oregon Railroad & Navigation Company.  
Complaint—Joint rate on potatoes.  
Disposition—Formal hearing November 6. Commissioners made order for joint rate. The railways appealed to the courts, where the matter is now pending.
- No. 80. Fred W. Kelly (Seattle)**  
v.  
Great Northern Express Company.  
Complaint—Classification of tools.  
Case closed.

- No. 81. Merchant's Protective Association (Seattle)**  
**Tacoma Traffic Association (Tacoma)**  
**Bausman & Kelleher, Attorneys.**  
v.  
**Northern Pacific Railway.**  
**Complaint**—Complaining that 7½ cent rate from Portland to Tacoma, and Seattle is discriminatory.  
**Disposition**—Not followed up by complainants as rate was afterwards canceled.  
Case closed.
- No. 82. M. E. Hay (Wilbur)**  
v.  
**Northern Pacific, and Great Northern Railways.**  
**Complaint**—Car shortage.  
**Disposition**—Commission used best efforts to have cars placed on Central Washington branch, and relief was afforded shortly thereafter.  
Case closed.
- No. 83. W. H. Kenworthy & Son (South Tacoma)**  
v.  
**Northern Pacific Railway.**  
**Complaint**—Freight rates to Tacoma and South Tacoma from Eastern Washington.  
**Disposition**—Covered by order September 24, 1907, hay, oats, barley, etc., to Grays Harbor, transferred to Formal Complaint No. 6. A reduction of 20 cents per ton was made by the railroad prior to formal hearing.  
Case closed.
- No. 84. Calhoun-Kraus Mill Company (Kent)**  
v.  
**Northern Pacific Railway.**  
**Complaint**—Claim for demurrage.  
**Disposition**—Refund made on request of Commission.  
Case closed.
- No. 85. Idaho Pole Company (Spokane)**  
v.  
**Northern Pacific Railway.**  
**Complaint**—Refusal to accept Great Northern Mileage book on Spokane Falls & Northern.  
**Disposition**—Complaint satisfied on the consolidation of the Great Northern with the Spokane Falls & Northern. The Rules and Regulations of the Commission govern mileage drawn.  
Case closed.

**No. 86. E. H. Lewis Lumber Company (Seattle)**

v.

Northern Pacific, Great Northern, and Oregon Railroad & Navigation Company.

Complaint—Arbitrary minimum weights on car loads.

Disposition—Interstate shipment beyond jurisdiction of Commission.

Case closed.

**No. 87. J. M. Lockhart (Seattle)**

v.

Northern Pacific Railway.

Complaint—Shortage of Merchandise.

Disposition—Unable to locate shipment, and directed complainant to file claim for loss. No further complaint.

Case closed.

**No. 88. Forest & Ames Lumber Company (Oakville)**

v.

Northern Pacific Railway.

Complaint—Car shortage.

Disposition—Complainant satisfied.

Case closed.

**No. 89. Simon McLean (Davenport)**

v.

Northern Pacific Railway.

Complaint—Car shortage.

Disposition—Cars furnished.

Case closed.

**No. 90. W. A. Lauder (Moscow, Idaho)**

v.

Oregon Railroad & Navigation Company, Great Northern and Northern Pacific.

Complaint—Shipment potatoes.

Disposition—Interstate, no jurisdiction, and no further action requested.

Case closed.

**No. 91. E. R. Woodbury Lumber Company (Spokane)**

v.

Northern Pacific Railway Company.

Complaint—Coal shortage.

Disposition—No jurisdiction, shipment being interstate.

Case closed.

- No. 92. The Hazel Mill Company** (Bellingham)  
v.  
Northern Pacific & Great Northern Railways.  
Complaint—Joint rate on logs.  
Case closed.
- No. 93. Atlas Lumber & Shingle Company** (Seattle)  
v.  
Seattle Railroads.  
Complaint—Car shortage due to error in rating.  
Disposition—Corrected.  
Case closed.
- No. 94. George M. Terrell** (Charleston)  
v.  
Oregon Short Line & Oregon Railroad & Navigation Company.  
Complaint—Refusal to honor tickets.  
Disposition—No jurisdiction, being on an interstate rate.  
Case closed.
- No. 95. J. A. Veness** (Winlock)  
v.  
Northern Pacific Railway.  
Complaint—Car shortage.  
Disposition—Rules and regulations made to cover this, and similar complaints.  
Case closed.
- No. 96. J. A. Dregmie** (Aberdeen)  
v.  
Northern Pacific Railway.  
Complaint—Tracer.  
Disposition—Goods received.  
Case closed.
- No. 97. Hull, Hamlet & Company** (Seattle)  
v.  
Northern Pacific Railway.  
Complaint—Claim reciprocal demurrage.  
Disposition—A suit to enforce the provisions of this law was instituted by Attorney General at request of Commission.  
A case is now pending in the courts which will be decisive of this complaint.



- No. 98. Walla Walla Commercial Club** (Walla Walla)  
Per Benjamin C. Holt

v.

**Northern Pacific & Washington & Columbia River.**

**Complaint—Train service.**

**Disposition—Action suspended on request of complainants.**

An amicable adjustment was made with the railroads, giving an improved service.

Case closed.

- No. 99. W. O. Long** (Pomeroy)

v.

**Oregon Railroad & Navigation Company.**

**Complaint—Train service and lack of employees.**

**Disposition—The matter personally investigated. Found that**

Pomeroy should have better facilities for passengers taking trains, which the company was requested to give.

Case closed.

- No. 100. Crescent Manufacturing Company** (Seattle)

v.

**Northern Pacific and Great Northern Railways.**

**Complaint—Delay to less car loads shipment:**

**Disposition—Found in some cases due to confusion on account of stations on different lines in the state having the same name. The railroads were asked to remedy this matter by agreeing on a change of names to avoid any complication in the State.**

Case closed.

- No. 101. Bond Foster Lumber Company** (Seattle)

v.

**Northern Pacific Railway.**

**Complaint—Rate from Yacolt branch points.**

**Disposition—Referred to the Interstate Commerce Commission, which held rate correct.**

Case closed.

- No. 102. Hardenburg, Dolson & Gray** (Auburn)

v.

**Northern Pacific Railway.**

**Complaint—Hay rates Portland-Auburn.**

**Disposition—Formal complaint filed with Interstate Commerce Commission, the State Commission representing complainant. Later a hearing was held before a referee of the Interstate Commerce Commission, and testimony taken. Decision rendered in favor of complainants.**

Case closed.

- No. 103. F. J. Guth, Mayor** (Odessa)  
v.  
**Great Northern Railway.**  
**Complaint**—Agricultural implement rates.  
**Disposition**—No jurisdiction as shipments were from San Francisco, and were interstate.  
Case closed.
- No. 104. D. R. Hughes** (Yelm)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Train service, station, etc.  
**Disposition**—Formal Complaint No. 5. Station ordered built, and agent installed.  
Case closed.
- No. 105. W. H. Paulhamus** (Sumner)  
v.  
**Northern Express Company.**  
**Complaint**—Rates on milk.  
**Disposition**—Investigation made of rates in other states, and information supplied.  
Case closed.
- No. 106. Shingle Manufacturers** (Ballard)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Discrimination car supply.  
**Disposition**—Personal investigation by Commission, and incorrect rating found to exist, which was corrected on conference with officials of railroad.  
Case closed.
- No. 107. B. F. Hoover** (Twin Falls, Idaho)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Notice to vacate leased land.  
**Disposition**—Commission used its good offices, but did not attempt to regulate leasing of lands.  
Case closed.
- No. 108. High Point Mill Company** (Issaquah)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Car shortage.  
**Disposition**—Cars supplied as per rating.  
Case closed.

**No. 109. J. F. Hentzler Shingle Company (Olympia)**

v.

**Northern Pacific Railway.****Complaint—Car distribution.****Disposition—Supplied in accordance with rating.****Case closed.****No. 110. Atlas Lumber & Shingle Company (Seattle)**

v.

**Northern Pacific and Great Northern Railway .****Complaint—Flat car lumber rate.****Disposition—No relief secured.****Case closed.****No. 111. Frank L. Horsfall (Seattle)**

v.

**Northern Pacific Railway.****Complaint—Refusal to accept tickets, and baggage at Portland.****Disposition—Referred to Interstate Commerce Commission.****Case closed.****No. 112. H. A. Adams (Pomeroy)  
J. R. Stevens**

v.

**Pacific Express Company.****Complaint—Rate discrimination fruit shipments.****Disposition—Difference due to distributing rates out of Walla Walla.****Case closed.****No. 113. Blank.****No. 114. C. J. Broughton (Dayton)**

v.

**Northern Pacific Railway.****Complaint—Minimum weights on grain bags.****Disposition—Rates on grain bags later reduced.****Case closed.****No. 115. Puget Sound Mill & Timber Company (Seattle)**

v.

**Bellingham Bay & British Columbia.****Complaint—Car distribution.****Disposition—Better service supplied.****Case closed.**

- No. 116. Fairfield Farmers' Alliance Warehouse & Milling Company**  
v.  
**Oregon Railroad & Navigation Company.**  
**Complaint—Warehouse site.**  
**Disposition—On investigation, and conference with the railroad company, a siding was constructed, and site granted.**  
**Case closed.**
- No. 117. Walker Shingle Company**  
v.  
**Northern Pacific Railway.**  
**Complaint—Car shortage.**  
**Disposition—Supplied as per rating.**  
**Case closed.**
- No. 118. J. A. Hawkins**  
v.  
**Northern Pacific Railway Company.**  
**Complaint—Delay in shipment of car of oats.**  
**Disposition—After correspondence with railroad, cause of complaint removed.**  
**Case closed.**
- No. 119. Citizens of Touchet, M. M. Gaiser, Chairman**  
v.  
**Oregon Railroad & Navigation Company.**  
**Complaint—Station building and agent.**  
**Disposition—Formal complaint filed and order made for building and agent. Formal complaint No. 9.**  
**Case closed.**
- No. 120. Northwestern Grain Company**  
v.  
**Great Northern Railway.**  
**Complaint—Rate discrimination.**  
**Disposition—Formal hearing No. 6. Order of Commission appealed from, case pending in courts.**  
**Case closed.**
- No. 121. Brotherhood of Locomotive Engineers**  
v.  
**Great Northern and Northern Pacific et al.**  
**Complaint—Violation of 16-hour law.**  
**Disposition—Suit commenced and pending in courts on appeal to Supreme Court from fine of \$1,000.**  
**Case closed.**

**No. 122. Fruit Growers Assn. of Puyallup and Sumner**

v.

**Northern Express Company.****Complaint—Rates on Berries.****Disposition—Formal complaint. At conference on hearing an adjustment was reached, making a substantial reduction in the rate on fruit and vegetables in the State.****Case closed.****No. 123. Wiley, Herr & Bayley****(Seattle)**

v.

**Northern Pacific Railway.****Complaint—Demurrage.****Disposition—Withdrawn after correspondence.****Case closed.****No. 124. National Bank of Commerce****(Tacoma)**

v.

**Northern & Coast Express Companies.****Complaint—Refusal to accept coin shipments after certain hours.****Disposition—Action of express companies held to be justified.****Case closed.****No. 125. The Sound Lumber Company****(Seattle)**

v.

**Northern Pacific Railway.****Complaint—Refusal to haul logs.****Case closed.****No. 126. A. R. Hover****(Tekoa)**

v.

**Chicago, Milwaukee & St. Paul Railway.****Complaint—Damage to property.****Disposition—No jurisdiction by the Commissioners, as dispute is proper one for the courts.****Case closed.****No. 127. Somerville Brothers****(Napavine)**

v.

**Northern Pacific Railway.****Complaint—Reciprocal demurrage claim.****Disposition—Suit commenced to enforce penalty for failure to pay reciprocal demurrage charges. Suit pending.****Case closed.**

- No. 128. F. N. Meay** (Olympia)  
v.  
Northern Pacific Railway.  
Complaint—Car shortage.  
Disposition—Relief granted.  
Case closed.
- No. 129. Albert E. Egge** (Pullman)  
v.  
Northern Pacific Railway.  
Complaint—Defective tracks.  
Disposition—Investigated by Inspector of Tracks, with Road Master, who stated that the track would be put in proper condition.  
Case closed.
- No. 130. Joseph Kreigler Lumber Company** (Odessa)  
v.  
Great Northern Railway Company.  
Complaint—Refund.  
Disposition—Investigated, and company asked to make payment, which was done.  
Case closed.
- No. 131. F. M. Martin & Company** (Cheney)  
v.  
Northern Pacific Railway.  
Complaint—Demurrage.  
Disposition—No ruling formulated.  
Case closed.
- No. 132. F. Nolfe & Company** (Seattle)  
v.  
Railway Companies.  
Complaint—Charges on private spur.  
Disposition—Held would be illegal unless by a common carrier.  
Case closed.
- No. 133. Wilson & Carlisle** (Satsop)  
v.  
Northern Pacific Railway.  
Complaint—Depot accommodations.  
Disposition—No further action taken.. Complainants failed to answer request as to formal hearing.  
Case closed.

No. 134. E. C. Davey

(Chiwaukum)

v.

Great Northern Railway.

Complaint—Delay to freight shipments.

Disposition—Investigation made, and service improved.

Case closed.

No. 135. Mrs. Lou G. Diven

(Olympia)

v.

Northern Pacific Railway.

Complaint—Claim for refund on ticket.

Disposition—Claim paid.

Case closed.

No. 136. Ellis Ford Company

(Chelan)

v.

Great Northern Railway.

Complaint—Over charge.

Disposition—Claim paid.

Case closed.

No. 137. E. M. Lewis

(Camden)

v.

Great Northern Railway.

Complaint—Demurrage claim, and failure to get cars.

Disposition—Cars afterwards supplied.

Case closed.

No. 138. Metcalf Shingle Company

(Tacoma)

v.

Northern Pacific Railway.

Complaint—Car shortage.

Disposition—

Case closed.

No. 139. Carstens Packing Company

(Tacoma)

v.

Northern Pacific Railway.

Complaint—Rates for switching.

Disposition—Formal hearing No. 10, rates ordered reduced,  
and the company appealed to the courts. Appeal pend-  
ing.

Case closed.

- No. 140. Arthur McGuire (Waterville)  
v.  
Great Northern Railway.  
Complaint—Car shortage.  
Disposition—Cars furnished.  
Case closed.
- No. 141. J. N. Cardwell & Sons (Pomeroy)  
v.  
Pacific Express Company and Oregon Railroad & Navigation Company.  
Complaint—Demurrage.  
Disposition—Not followed up by complainants.  
Case closed.
- No. 142. Dice & Claque (Prescott)  
v.  
Oregon Railroad & Navigation Company.  
Complaint—Freight rates on harvesters.  
Disposition—Charge in accordance with tariffs.  
Case closed.
- No. 143. Citizens of Mondovi (Mondovi)  
v.  
Northern Pacific Railway Company.  
Complaint—Depot building and agent.  
Disposition—Formal hearing No. 12. Depot ordered constructed and care taker installed.  
Case closed.
- No. 144. Wynoochee Lumber Company (Montesano)  
v.  
Northern Pacific Railway.  
Complaint—Discrimination in car supply.  
Case closed.
- No. 145. J. L. Wallace (Guy)  
v.  
Oregon Railroad & Navigation Company.  
Complaint—Station and agent.  
Disposition—After investigation and conference with officials, agent was installed.  
Case closed.



No. 146. Charles A. Stewart et al.

(Sumner)

v.

Puget Sound Electric Company.

Complaint—Station stop at Bluffs.

Disposition—Transferred to formal hearing. Temporary service ~~is~~ given while case is pending, by order to stop three trains each way daily on flag.

Case closed.

No. 147. Thompson Fruit Company

(North Yakima)

v.

Northern Express Company.

Complaint—Express rates on fruit.

Disposition—Interstate Commerce, no jurisdiction.

Case closed.

No. 148. Colfax Implement Company

(Colfax)

v.

Express Company's.

Complaint—Express rates.

Disposition—No jurisdiction, interstate shipments.

Case closed.

No. 149. Various Fruit Growers of North Yakima

(North Yakima)

v.

Northern Pacific Railway Company.

Complaint—Shortage of refrigerator cars.

Disposition—Cars furnished.

Case closed.

No. 150. Lumber & Shingle Associations

v.

Northern Pacific and Great Northern and Oregon Railroad & Navigation Companies.

Complaint—Increase in rates.

Disposition—Referred to Interstate Commerce Commission.

Case closed.

No. 151. B. J. Witsen

(Olympia)

v.

Northern Pacific Railway.

Complaint—Crowded condition of coaches.

Disposition—Matter called to the attention of the President of the road.

Case closed.

- No. 152. Baker, May Lumber Company** (Meskill)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Failure to put in spur.  
**Disposition**—Constructed.  
**Case closed.**
- No. 153. W. L. Walker** (Waukon)  
v.  
**Great Northern Railway.**  
**Complaint**—Overcharge.  
**Disposition**—Refund agreed upon.  
**Case closed.**
- No. 154. O. A. Elliot** (Tacoma)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Penalty for failure to buy ticket.  
**Disposition**—Referred to Attorney General. Suit to enforce order as to excess charge on cash fare pending.  
**Case closed.**
- No. 155. A. B. Freeman** (Spokane)  
v.  
**Northern Pacific and Great Northern Railways.**  
**Complaint**—Penalty for failure to purchase ticket, and inferior equipment on Spokane Falls & Northern.  
**Disposition**—Referred to Attorney General. Suit to enforce order as to excess charge on cash fare pending.  
**Case closed.**
- No. 156. J. M. Richardson** (Starbuck)  
v.  
**Oregon Railroad & Navigation Company.**  
**Complaint**—Inadequate station facilities at Grange City Junction.  
**Disposition**—Investigation showed complaint not well founded.  
**Case closed.**
- No. 157. F. S. Harmon & Company** (Tacoma)  
v.  
**Northern Pacific and Oregon Railroad & Navigation Company.**  
**Complaint**—Car shortage.  
**Disposition**—Partial Relief.  
**Case closed.**

- No. 158. Lee A. Johnson** (Sunnyside)  
v.  
Northern Pacific Railway.  
Complaint—Car shortage.  
Disposition—Relief granted.  
Case closed.
- No. 159. J. J. King** (Leavenworth)  
v.  
Great Northern Railway.  
Complaint—Street crossing.  
Disposition—Taken to courts by complainant.  
Case closed.
- No. 160. A. M. Murray** (Hillyard)  
v.  
Oregon Railroad & Navigation Company.  
Complaint—Delayed shipments.  
Disposition—Delay unintentional. Remedied.  
Case closed.
- No. 161. George A. Vannier** (Scotia)  
v.  
Great Northern Railway.  
Complaint—Delayed shipments.  
Disposition—Complainant satisfied on delivery of goods.  
Case closed.
- No. 162. C. O. Williams** (Wapato)  
v.  
Northern Pacific Railway.  
Complaint—Car shortage.  
Disposition—Cars furnished.  
Case closed.
- No. 163. F. S. Doran** (Chewelah)  
v.  
Spokane Falls & Northern Railway.  
Complaint—Claim of car shortage and reciprocal demurrage.  
Disposition—Relief given.  
Case closed.
- No. 164. Eckerly & Company** (Seattle)  
v.  
Northern Pacific Railway.  
Complaint—Car shortage.  
Disposition—Relief granted.  
Case closed.

- No. 165. Frederick Nolf & Company** (Seattle)  
v.

**Great Northern and Northern Pacific Railways.**

**Complaint—Refusal to deliver goods to Woods spur.**

**Disposition—After extended correspondence case withdrawn.**

**Case closed.**

- No. 166. Lindsley Brothers** (Spokane)  
v.

**Spokane Falls & Northern and Red Mountain Railways.**

**Complaint—Claim for overcharge on telephone polls.**

**Disposition—Refund made.**

**Case closed.**

- No. 167. R. Andrett** (Spangle)  
v.

**Oregon Railroad & Navigation Company.**

**Complaint—Claim for loss of seed wheat shipped.**

**Disposition—Company agreed to pay value of wheat. Claimant's request for constructive damage referred back as a matter for the courts to pass upon.**

**Case closed.**

- No. 168. A. P. Burrows** (Seattle)  
v.

**Northern Pacific Railway.**

**Complaint—Penalty charged for failure to purchase ticket.**

**Disposition—Test suit pending on Rules for Commission providing against such charges.**

**Case closed.**

- No. 169. John G. Miller** (Spokane)  
v.

**Oregon Railroad & Navigation Company.**

**Complaint—Claim for loss of car of coal.**

**Disposition—Paid.**

**Case closed.**

- No. 170. Railroads**  
v.

**Seattle Dealers.**

**Complaint—Delay in unloading cars.**

**Disposition—Discussed fully in Mr. Perley's report to Commission, and subject of handling wheat in bulk.**

**Case closed.**

**No. 171. Lewis Sears Papers Company (Seattle)**

v.

Great Northern Railway.

Complaint—Refusal to switch car.

Disposition—Pending.

**No. 172. Parrot & Griswold, Attorneys (Bellingham)**

v.

Great Northern Railway.

Complaint—Discrimination in car supply.

Disposition—After conference no further action requested.

Case closed.

**No. 173. John Dempsey (Outlook)**

v.

Northern Pacific Railway.

Complaint—Depot building and agent.

Disposition—Transferred to formal hearing. Building ordered constructed and caretaker installed.

Case closed.

**No. 174. Hawley Mill Company (Milltown)**

v.

Great Northern Railway.

Complaint—Car shortage.

Disposition—Cars furnished.

Case closed.

**No. 175. Armstrong & McNatt (Seattle)**

v.

Northern Pacific Railway.

Complaint—Car shortage.

Case closed.

**No. 176. Hoffus Steel & Equipment Company (Seattle)**

v.

Northern Pacific Railway Company.

Complaint—Class rates Seattle-Monahan.

Disposition—Not followed up by complainant.

Case closed.

**No. 177. Hillyard Coal & Wood Company (Hillyard)**

v.

Northern Pacific Railway.

Complaint—Transfer of car coal.

Disposition—Not entitled to relief.

Case closed.

- No. 178. M. O. Tibbets (Wenatchee)  
v.  
Great Northern Railway.  
Complaint—Car shortage.  
Disposition—Railroad gave assurance that it would furnish cars for these fruit shipments.  
Case closed.
- No. 179. George McDonald & Company (Coulee City)  
v.  
Great Northern Railway.  
Complaint—Car shortage.  
Case closed.
- No. 180. Benjamin J. Bell & Company (Yacolt)  
v.  
Northern Pacific Railway.  
Complaint—Overcharge on grain, flour and feed.  
Disposition—Claims paid.  
Case closed.
- No. 181. George E. Brand Company (Bellingham)  
v.  
Northern Pacific Railway.  
Complaint—Overcharge on hay shipments.  
Disposition—Not followed up by claimants.  
Case closed.
- No. 182. The Big Four Lumber and Shingle Company (Van Zandt)  
v.  
Northern Pacific Railway.  
Complaint—Track connections.  
Dispositions—This company after filing complaint did not reply to inquiries for further information.  
Case closed.
- No. 183. A. F. Maxwell (Spokane)  
v.  
Great Northern Railway and Oregon Railroad & Navigation Company.  
Complaint—Overcharge in switching.  
Disposition—Not followed up.  
Case closed.
- No. 184. R. E. Hollinger (Malaga)  
v.  
Great Northern Railway.  
Complaint—Claim for loss of goods.  
Disposition—Claim paid.  
Case closed.

No. 185. P. C. Rigley (Wallula)

v.

Northern Express Company.

Complaint—Express office.

Disposition—Relief granted by installing agent at Wallula.

Case closed.

No. 186. Atlas Lumber & Shingle Company (Seattle)

v.

Northern Pacific Railway.

Complaint—Discrimination in furnishing cars.

Case closed.

No. 187. Frank Simpson Fruit Company (Tukoa)

v.

Northern Pacific, Great Northern, and Oregon Railroad & Navigation Companies.

Complaint—Car shortage for fruit shipments.

Disposition—Unable to arrange for Northern Pacific cars on Spokane & Inland at Colfax.

Case closed.

No. 188. Burnett & Company (Tacoma)

v.

Tacoma Eastern.

Complaint—Rate on shingle bolts.

Disposition—New tariff issued satisfactory to complainant.

Case closed.

No. 189. Thurston County Fruit Growers Association (Olympia)

v.

Northern Pacific Railway.

Complaint—Car shortage.

Disposition—Relief granted.

Case closed.

No. 190. Spokane Transfer Company (Spokane)

v.

Oregon Railroad & Navigation Company.

Complaint—Claim for refund on overcharge.

Disposition—Paid.

Case closed.

No. 191. Winchester Commercial Club (Winchester)

v.

Great Northern Railway.

Complaint—Station building.

Disposition—Transferred to formal hearing. Later, depot ordered built and industry track constructed.

Case closed.

- No. 192. Calvin Phillips** (Tacoma)  
v.  
**Great Northern Railway.**  
**Complaint—**Failure to advertise time tables.  
**Disposition—**No relief available.  
Case closed.
- No. 193. Pioneer Bindery & Printing Company** (Tacoma)  
v.  
**Northern Pacific Railway.**  
**Complaint—**Delayed freight shipments.  
Case closed.
- No. 194. S. W. Minthorn** (Hilliard)  
v.  
**Oregon Railroad & Navigation Company.**  
**Complaint—**Misrouted freight.  
**Disposition—**Trouble due to congestion caused by washout.  
Case closed.
- No. 195. Stimson Mill Company** (Ballard)  
v.  
**Northern Pacific Railway.**  
**Complaint—**Rates on oil, Ballard to Bryant.  
**Disposition—**Not entitled to relief.  
Case closed.
- No. 196. J. W. Anderson** (Wilbur)  
v.  
**Northern Pacific Railway.**  
**Complaint—**Loss of goods.  
**Disposition—**Claim paid.  
Case closed.
- No. 197. Farmers Union** (Prescott)  
v.  
**Oregon Railroad & Navigation Company.**  
**Complaint—**Warehouse site.  
**Disposition—**Site furnished.  
Case closed.
- No. 198. Miller Brothers Lumber Company** (Bellingham)  
v.  
**Bellingham Bay & British Columbia Railroad.**  
**Complaint—**Claim for overcharge on demurrage.  
**Disposition—**Claim paid in full.  
Case closed.



No. 199. Fruit and Grain Shippers of Eastern Washington

v.

Railroad Companies.

Complaint—Car shortage fruit and grain shipment.

Case closed.

No. 200. Jesse Bishop

(Aberdeen)

v.

Northern Pacific Railway.

Complaint—Overcharge on shipment of car load of apples.

Disposition—Claim paid.

Case closed.

No. 201. Wenatchee Milling Company

(Wenatchee)

v.

Great Northern Railway.

Complaint—Loss in transit, or question as to amount loaded.

Disposition—Suggestion made to prevent recurrence of controversy.

Case closed.

No. 202. Twin City Telephone Company

(Kennewick)

v.

Northern Pacific Railway.

Complaint—Damage to wires by pile driver.

Disposition—Claim paid.

Case closed.

No. 203. Mentzer Brothers

(Tenino)

v.

Northern Pacific Railway.

Complaint—Request for spur.

Disposition—Spur allowed.

Case closed.

No. 204. O. A. Ellis

(Tacoma)

v.

Northern Pacific Railway.

Complaint—Condition of Centralia and Chehalis depots.

Disposition—Conditions remedied.

Case closed.

No. 205. W. C. Mitchell

(Seattle)

v.

Puget Sound Electric Company.

Complaint—Condition of toilets at Seattle.

Disposition—Conditions remedied.

—7 Case closed.

- No. 206. George Grapo, C. S. Sway, and C. C. Smith (Tacoma)**  
v.  
**Northern Pacific Railway.**  
**Complaint**—Request for reinstatement. Discharged for refusal to violate the 16-hour law.  
**Disposition**—No authority to reinstate. Test case to enforce 16-hour law pending.  
Case closed.
- No. 207. Crescent Manufacturing Company (Seattle)**  
v.  
**Northern Pacific Railway.**  
**Complaint**—Tracer, and complaining of service on Connell branch.  
**Disposition**—Partial relief.  
Case closed.
- No. 208. Samuel Hill (Seattle)**  
v.  
**Great Northern Railway.**  
**Complaint**—For removing spur from Country Club.  
**Disposition**—Spur allowed to remain to transfer several car loads of material.  
Case closed.
- No. 209. H. R. Mann (Spokane)**  
v.  
**Inland Empire System.**  
**Complaint**—Claim for over-charge of demurrage.  
**Disposition**—Held company should have paid reciprocal demurrage.  
Case closed.
- No. 210. Citizens of Rochester**  
v.  
**Northern Pacific Railway.**  
**Complaint**—Station and agent.  
**Disposition**—Relief granted by enlarging building, and installing caretaker.  
Case closed.
- No. 211. Frye, Bruhn Company**  
v.  
**Puget Sound Electric Company**  
**Complaint**—Withdrawing livestock service.  
**Disposition**—Held defendants are common carriers, and must accept shipments.  
Case closed.

No. 212. W. H. Kenworthy & Company (South Tacoma)

v.

Northern Pacific Railway.

Complaint—Discrimination in rates.

Disposition—Matter involved in case pending in courts on appeal from order of Commission.

Case closed.

No. 213. John W. Graham & Company (Spokane)

v.

Great Northern Express Company.

Complaint—Overcharge.

Disposition—No jurisdiction as matter is interstate.

Case closed.

No. 214. Citizens of Bossburg

v.

Great Northern Railway.

Complaint—Station.

Disposition—Transferred to formal hearing No. 15. Facilities at station ordered, and caretaker installed.

Case closed.

No. 215. F. E. Laffer (Walla Walla)

v.

Northern Pacific Railway.

Complaint—Refund on ticket.

Disposition—Pending.

No. 216. Citizens of Goldendale

v.

Spokane, Portland & Seattle Railway.

Complaint—Station at Rock Creek.

Disposition—Investigated by Inspector of Tracks in person.

On consideration of case, Commission held that facts developed did not justify further proceedings at this time, the road being under Construction Department and conditions not fully developed.

Case closed.

No. 217. C. E. Burlingame (Walla Walla)

v.

Northern Pacific and Walla Walla Traction Company.

Complaint—Joint rates between two lines.

Disposition—Matter under consideration.

Case closed.

**No. 218. Citizens of Malaga****(Wenatchee)****v.****Great Northern Railway.****Complaint—Station.****Disposition—**Formal hearing No. 15. Station ordered built and care-taker placed in charge.**Case closed.****No. 219. O'Neill Grain Company****(Spokane)****v.****Northern Pacific Railway Company.****Complaint—**Claim for over-charge.**Disposition—**On investigation, the Commission held that a refund should be made.**Case closed.****No. 220. Gentry & Goldsmith****(Wilson Creek)****v.****Great Northern Railway.****Complaint—**Claim for shortage in coal shipments.**Disposition—**This being a question of fact as to existence of shortage, held a matter for determination of courts.**Case closed.****No. 221. O. E. Rice****(Auburn)****v.****Northern Pacific Railway.****Complaint—**Station facilities.**Disposition—**Investigated by Commission and Inspector of Tracks. Held complaint could not be satisfied owing to location of Wye and operation of passenger trains.**Case closed.****No. 222. Raymond Bland****(Kahlotus)****v.****Spokane, Portland & Seattle Railway.****Complaint—**Protest against contractors selling coal on which they had paid no freight charges.**Disposition—**Investigation by the Commission shows that Spokane, Portland & Seattle Railway was not party to this. That the contractor receiving coal took advantage of his position and claimed contract privileges.**Case closed.**

**No. 223. Chamokane Lumber Company (Reardan)**

v.

**Northern Pacific Railway Company.****Complaint—Claim for overcharge.****Disposition—No jurisdiction. Referred to Interstate Commerce Commission.****Case closed.****No. 224. C. M. Noeremberg (Irby)**

v.

**Great Northern Railway.****Complaint—Station wanted at Irby.****Disposition—Transferred to formal hearing No. 15. Station ordered built and care-taker installed.****Case closed.****No. 225. J. E. Bishop (Colton)**

v.

**Pacific Express Company.****Complaint—Overcharge on fruit shipments.****Disposition—Found that refund should be made, and on request this was done.****Case closed.****No. 226. W. H. Paulhamus (Sumner)**

v.

**Northern Pacific Railway Company.****Complaint—Train service on Buckley branch.****Disposition—Train service resumed after investigation and request of the Commission.****Case closed.****No. 227. Waukon Trading Company (Waukon)**

v.

**Great Northern Railway.****Complaint—Station and agent.****Disposition—Transferred to formal hearing No. 15. Station ordered constructed and care-taker installed.****Case closed.****No. 228. M. Robinson (Columbus)**

v.

**Spokane, Portland & Seattle Railway.****Complaint—Claim for over-charge.****Disposition—On investigation, held rate charged was correct****Case closed.**

**No. 229. Thomas H. Wilson, Attorney****v.****Northern Pacific Railway.****Complaint—Spur.****Disposition—Not followed up by complainant.****Case closed.****No. 230. Farmers' Industrial Union****(Mayview)****v.****Oregon Railroad & Navigation Company.****Complaint—Delay in moving crops.****Disposition—Investigated, but no relief found as Lew line not open for operation.****Case closed.****No. 231. J. W. Hardison****(Wapato)****v.****Northern Pacific Railway.****Complaint—Condition of toilets.****Disposition—Investigated and condition remedied.****Case closed.****No. 232. The Alderdale Trading Company****(Alderdale)****v.****Spokane, Portland & Seattle Railway.****Complaint—Side track facilities.****Disposition—An investigation made in person and after conference with officials, and further investigation, the track was constructed.****Case closed.****No. 233. Spokane Jobbers' Association****(Spokane)****v.****Express Companies.****Complaint—Delay in handling fruit shipments.****Disposition—Relief promised for ensuing season in additional trains sufficient to care for shipment.****Case closed.****No. 234. A. G. Wilkes****(San Pedro, N. M.)****v.****Various Carriers.****Complaint—Overcharge on shipment of merchandise from S. F. & N. Point to New Mexico.****Disposition—As this was an interstate shipment, advised to file claim with Interstate Commerce Commission.****Case closed.**

**No. 235. P. C. Kibbe****(Tenino)****v.****Northern Pacific Railway.****Complaint**—Rate of fare on Port Townsend Southern Railroad.**Disposition**—Held that the law exempted roads under one hundred miles from 3-cent rate.**Case closed.****No. 236. Cahill & Dunlap****(Dayton)****v.****Northern Pacific Railway.****Complaint**—Refusal to switch O. R. & N. cars.**Disposition**—Case pending.**No. 237. Sultan Railway & Timber Company****(Sultan)****v.****Great Northern Railway.****Complaint**—Rates on logs.**Case pending.****No. 238. J. A. Fancher****(Medical Lake)****v.****Great Northern Railway.****Complaint**—Station at Espanola.**Disposition**—Complaint partially satisfied by the removal of shed to new location prior to date of hearing. Transferred to formal hearing No. 15.**Case closed.****No. 239. Adrian Irrigation Company****(Spokane)****v.****Great Northern Railway.****Complaint**—Over-charge.**Disposition**—Held rate properly charged.**Case closed.****No. 240. Mr. Simpich****(Wenatchee)****v.****Great Northern Railway.****Complaint**—Condition of station at Wenatchee.**Disposition**—Transferred to formal hearing No. 15. On statement of company that a new brick building would be constructed no further action was taken.**Case closed.**

- No. 241. W. H. Jackson, Attorney for Frank Habeln ... (Colville)**  
v.  
**Great Northern Railway.**  
**Complaint—Over-charge.**  
**Disposition—Commission found excess charges due to combination of locals. Tariff corrected. Refund made on request of Commission.**  
**Case closed.**
- No. 242. Railroad Commission (Kahlotus)**  
v.  
**Oregon Railroad & Navigation Company.**  
**Complaint—Station at Kahlotus.**  
**Disposition—On investigation, Commission determined to wait the completion of the S. P. & S., to determine the permanency of business.**  
**Case pending.**
- No. 243. The Caldwell Brothers Company (Seattle)**  
v.  
**Northern Pacific Railway.**  
**Complaint—Joint use of side-track.**  
**Case pending.**
- No. 244. Mrs. Lou Diven (Olympia)**  
v.  
**Northern Pacific Railway Company.**  
**Complaint—Tracing lost freight.**  
**Disposition—Freight found by tracing lost book case to wrong destination due to teamster.**  
**Case closed.**
- No. 245. Jacob Schorzman (Quincy)**  
v.  
**Great Northern Railway.**  
**Complaint—Request for fence on right-of-way.**  
**Disposition—Fence built.**  
**Case closed.**
- No. 246. W. L. Chapelle (Oakville)**  
v.  
**Northern Express Company.**  
**Complaint—Rates on butter.**  
**Disposition—Investigated and held that rates charged showed no discrimination.**  
**Case closed.**



No. 247. H. E. Owen

(Spokane)

v.

Great Northern Railway.

Complaint—Defective track.

Disposition—Investigated in person by track inspector and condition later remedied.

Case closed.

No. 248. Rev. Ira L. Crook

(Oro Fino)

v.

Northern Pacific Railway.

Complaint—Claim of overcharge.

Disposition—This was an interstate shipment, but upon the claim being called to the attention of the Northern Pacific Railway, the overcharge was refunded.

Case closed.

No. 249. Quincy Commercial Club

(Quincy)

v.

Great Northern Railway.

Complaint—Site for elevator.

Disposition—Site granted after long correspondence by Commission.

Case closed.

No. 250. J. E. Bishop

(Colton)

v.

Pacific Express Company.

Complaint—Shortage in fruit shipments.

Disposition—Investigated and Company stated its readiness to settle when claim properly presented.

Case closed.

No. 251. G. F. Lovell

(Ritzville)

v.

Northern Pacific Railway.

Complaint—Station building improvement.

Disposition—Transferred to formal complaint. New waiting room ordered constructed.

Case closed.

No. 252. Railroad Commission

(Cashmere)

v.

Great Northern Railway.

Complaint—Station at Cashmere.

Disposition—Formal hearing No. 15. Waiting room partially enlarged and complaint partially satisfied.

Case pending.

**No. 253. Railroad Commission**

v.

**Railroad Companies.****Complaint**—Violation of 16-hour law. Suit instituted to recover penalties. Judgment for \$1,000 by Superior Court.**Disposition**—Case appealed to Supreme Court.

Case pending.

**No. 254. F. M. Fleish**

(Lamona)

v.

**Great Northern Railway.****Complaint**—Station and agent.**Disposition**—Transferred to formal hearing No. 15. Station ordered built and care-taker installed.

Case closed.

**No. 255. W. A. Ellers' "Down in Mobile" Show**

v.

**Northern Pacific Railway Company.****Complaint**—Private car rates.**Disposition**—Interstate and no means of meeting emergency.

Case closed.

**No. 256. Kittitas Lumber Company**

(Thorp)

v.

**Northern Pacific Railway.****Complaint**—Rates on lumber.**Disposition**—Interstate shipment. Rates explained.

Case closed.

**No. 257. Murphy-Fortier Company**

(North Yakima)

v.

**Northern Pacific Railway.****Complaint**—Delay to hay shipments.**Disposition**—Advised that remedy would be under Reciprocal Demurrage law.

Case closed.

**No. 258. F. W. Carley, et al.**

(Carley)

v.

**Spokane, Portland & Seattle Railway.****Complaint**—Station. Remonstrance against removal of station.**Disposition**—This was assumed by the remonstrator to be involved in the question of a new siding at Alderdale; the station was not disturbed, and the siding was placed at Alderdale. See 232.

Case closed.

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**No. 259. Carstens' Packing Company (Tacoma)**

v.

Northern Pacific Railway.

Complaint—Protest against proposed increase of rates.

Case pending.

**No. 260. B. L. Hubbell (Kelso)**

v.

Northern Pacific Railway.

Complaint—Condition of toilets and depots.

Disposition—

Case pending.

**No. 261. O. P. Brown (Bellingham)**

v.

Great Northern Railway.

Complaint—Claim for demurrage.

Case pending.

**No. 262. Grain Shippers**

v.

Exporters, et al.

Complaint—Shipment of grain in bulk. An investigation begun on the petition of grain growers asking the Commission to secure bulk handling of grain.

Disposition—This has resulted in a number of meetings between the railroads, the growers and the Commission. Having no authority to make an order, we used our good offices and feel that it is a question of time until this change is made.

Case closed.

**No. 263. E. F. Brown (Orient)**

v.

Great Northern Railway.

Complaint—Station.

Case pending.

**No. 264. Carstens' Packing Company**

v.

Great Northern Railway Line.

Complaint—Protest against increase of rates on live-stock.

Case pending.

**No. 265. C. W. McKercher (Seattle)**

v.

Northern Pacific Railway.

Complaint—Car shortage.

Disposition—Relief given.

Case closed.

- No. 266. M. Cutler & Son (Hillyard)  
v.  
Great Northern Railway.  
Complaint—Rates on vegetables in mixed car loads.  
Disposition—Found rates charged were on mixed shipments  
not shown in billing.  
Case closed.
- No. 267. The Caldwell Brothers Company (Seattle)  
v.  
Northern Pacific Railway.  
Complaint—Discrimination.  
Disposition—  
Case pending.
- No. 268. E. P. Harrison (Spokane)  
v.  
Street Railways.  
Complaint—Fares.  
Disposition—No jurisdiction.  
Case closed.
- No. 269. J. M. Fleming (Grandview)  
v.  
Northern Pacific Railway Company.  
Complaint—Station.  
Disposition—Station ordered built and a regular agent in-  
stalled.  
Case closed.
- No. 270. Griffin Wheel Company (Chicago)  
v.  
Columbia & Puget Sound Railway.  
Complaint—Overcharge on shipments of sand.  
Disposition—Claim paid by Columbia & Puget Sound Railway.  
Case closed.
- No. 271. Railroad Commission  
v.  
Great Northern Railway.  
Complaint—Toilet facilities at Leavenworth.  
Disposition—Relief as to toilet facilities obtained, but the  
Citizens' petition for additional depot room—Pending.  
Case pending.
- No. 272. Carstens' Packing Company (Tacoma)  
v.  
Southern Pacific Railway.  
Complaint—Rate on live-stock in single and double deck cars.  
Disposition—Conference to be held with Oregon Commission.  
Case pending.

- No. 273. Chehalis Produce Company (Aberdeen).  
v.  
Northern Pacific Railway.  
Complaint—Rates.  
Disposition—  
Case pending.
- No. 274. Morgan Lumber Company (Toppenish).  
v.  
Northern Pacific Railway.  
Complaint—Claim for re-payments.  
Case pending.
- No. 275. Theodore H. Koerner (Kennewick).  
v.  
Northern Express Company.  
Complaint—Express rates on fruit and vegetables.  
Disposition—Held rates not discrimination.  
Case closed.
- No. 276. Humphrey & Cole (Kennewick).  
v.  
Northern Pacific Railway.  
Complaint—Condition of station.  
Case closed.
- No. 277. J. A. Sproule (Sproule).  
v.  
Puget Sound Electric.  
Complaint—Station.  
Disposition—Transferred to formal hearing No. 18. Order  
issued creating station and stopping four trains daily.  
Case closed.
- No. 278. State Milling Company (Everett).  
v.  
Railroads.  
Complaint—Classification on chicken feed.  
Case pending.
- No. 279. J. S. Beall (Portland).  
v.  
Tacoma Eastern Railway.  
Complaint—Rates on rock.  
Disposition—Held that reduced rates can be made to the  
county which were given.  
Case closed.

- No. 280. W. H. Kenworthy & Son** (South Tacoma)  
v.  
Northern Pacific Railway.  
Complaint—Switching charges.  
Case pending.
- No. 281. F. L. Buell** (Pratt)  
v.  
Great Northern Railway.  
Complaint—Station.  
Case pending.
- No. 282. D. J. Switzer** (Wenatchee)  
v.  
Great Northern Railway.  
Complaint—Claim for lost baggage. Adjusted.  
Case closed.
- No. 283. Tacoma Humane Society** (Tacoma)  
v.  
Railways.  
Complaint—Prevention of cruelty to live-stock in transit.  
Disposition—Referred to provision of law.  
Case closed.
- No. 284. James Angus** (Pine City)  
v.  
Chicago, Milwaukee & St. Paul Railway.  
Complaint—Station.  
Disposition—Action deferred by Commission until Chicago, Milwaukee & St. Paul Railway is turned over to operating department.
- No. 285. Burpee & Letson** (Bellingham)  
v.  
Great Northern Express Company.  
Complaint—Station at South Bellingham.  
Disposition—Conditions improved and complaint satisfied.  
Case closed.
- No. 286. W. H. Paulhamus.** (Sumner)  
v.  
Northern Express Company.  
Complaint—Delay to berry shipments, destined to Grand Forks, North Dakota.  
Disposition—Interstate shipment. Correspondence and conference lead to satisfactory adjustment.  
Case closed.

- No. 287. Theodore Sukedorf** (Bingen)  
v.  
**Spokane, Portland & Seattle Railway.**  
**Complaint**—Change of name of station to White Salmon. Petitions to prevent the Spokane, Portland & Seattle Railway changing the name of Bingen Station to White Salmon Station.  
**Disposition**—The Commission was unable under the circumstances to grant relief asked for. Name of Bingen to be retained on Commission map.  
Case closed.
- No. 288. T. B. Southward** (Wilson Creek)  
v.  
**Great Northern Railway.**  
**Complaint**—Station building.  
**Disposition**—The Great Northern Railway advised Commission that they have fitted up a room for use of engine and trainmen to prevent the congregating in station building, thereby removing cause of complaint.  
Case closed.
- No. 289. W. J. Harter** (Hatton)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Warehouse site. Granted.  
Case closed.
- No. 290. F. L. Hartman** (Roslyn)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Live-stock rates.  
**Disposition**—No overcharge.  
Case closed.
- No. 291. Wilson Coal Company** (Kopiah)  
v.  
**Northern Pacific Railway.**  
**Complaint**—Car shortage.  
**Disposition**—Cars furnished on request of Commission.  
Case closed.
- No. 292. A. J. Haynes** (Rockford)  
v.  
**Oregon Railroad & Navigation Company.**  
**Complaint**—Claim for loss of car of wood. Found due to consignee failing to give disposition of car.  
**Disposition**—Partial payment tendered.  
Case pending.

**No. 293. Postmasters' Association****(Spokane)****v.****Northern Pacific and Great Northern Railways.****Complaint—**Fares for delegates attending convention.**Disposition—**Investigated but no remedy found.**Case closed.****No. 294. Robert Fowler****(Endicott)****v.****Oregon Railroad & Navigation Company.****Complaint—**Excessive rates on posts. Interstate shipment.**Disposition—**The petitioners were advised to lay complaint before Interstate Commerce Commission.**Case closed.****No. 295. Railroad Commission.****v.****Great Northern Railway.****Complaint—****Disposition—**An order issued covering W. R. C. No. 76, Great Northern Railway G. F. O. 18913, ordering publication of tariff retroactive to cover all grain shipments subsequent to August 1st, 1907.**Case closed.****No. 296. Manufacturers Association****(Seattle)****v.****Railways.****Complaint—**Request to make Seattle rates apply to Ballard.**Case closed.****No. 297. Sunbeach Packing Company****(Aberdeen)****v.****Northern Pacific Railway.****Complaint—**Excess charges.**Disposition—**Found agent in error. Claim for overcharge filed.**Case closed.****No. 298. W. N. Spinning****(Sumner)****v.****Northern Pacific Railway.****Complaint—**Spur at Dieringer.**Case pending.**



- No. 299. James Day (Miles)  
v.  
Northern Pacific and Great Northern Railways.  
Complaint—Claim for over-charge. Found due to shipment of household goods not released.  
Case closed.
- No. 300. Mrs. D. B. Nicholls (Bellingham)  
v.  
Northern Pacific and Chicago, Milwaukee & St. Paul Railways  
Complaint—Application of through rates on emigrant moveables.  
Case pending.
- No. 301. T. B. Southard (Wilson Creek)  
v.  
Great Northern Railway.  
Complaint—Road crossing.  
Case pending.
- No. 302. Aloha Lumber Company (Aloha)  
v.  
Northern Pacific Railway.  
Complaint—Switching charges at mills.  
Case pending.
- No. 303. Charles Clark (Boise)  
v.  
Northern Pacific Railway.  
Complaint—Tracing lost shipment.  
Disposition—Goods found and delivered.  
Case closed.
- No. 304. Gale Creek Coal Company (Seattle)  
v.  
Northern Pacific Railway.  
Complaint—Car shortage.  
Disposition—The Northern Pacific Railway advising that they would use every endeavor to furnish cars.  
Case closed.
- No. 305. R. F. Cummings (St. John)  
v.  
Oregon Railroad & Navigation Company.  
Complaint—Claim for damages.  
Disposition—This was satisfied by the O. R. & N. Ry. making payment.  
Case closed.

**No. 306. J. E. Trimble****v.****Railroads.****Complaint—Interstate rates on apples and other fruit.****Case closed.****No. 307. Frederick Nolf & Company****(Seattle)****v.****Railway Companies.****Complaint—Spur, charges for use of spur.****Disposition—Held not authorized.****Case closed.****No. 308. W. H. Paulhamus****(Sumner)****v.****Northern Express Company.****Complaint—Rates on fruit. Interstate.****Case pending.****No. 309. Fres J. Hotes****(Alder)****v.****Tacoma Eastern Railway.****Complaint—Station agent.****Disposition—Company agreed to install agent as soon as possible.****Case closed.****No. 310. J. G. Rogers****v.****Southern Pacific Railway.****Complaint—Overcharge on shipment, car of household goods.****Disposition—Referred to Interstate Commerce Commission.****Case pending.****No. 311. Shingle Manufacturers****v.****Railways.****Complaint—Excessive rates on shingle bolts, due to increase.****Formal complaint will be entered.****Case pending.****No. 312. McNeff Brothers****(Portland)****v.****Northern Pacific.****Complaint—Overcharge on car hops.****Disposition—Interstate shipment. No relief.****Case closed.**

- No. 313. Table Rock Lumber Company (Moffatts)**  
v.  
**Spokane, Portland & Seattle Railway.**  
**Complaint—Removal of spur.**  
**Disposition—Advised to file complaint if spur is removed.**  
**Case closed.**
- No. 314. J. J. Pattee (Onno)**  
v.  
**Great Northern Railway.**  
**Complaint—Refusal to check baggage wrapped in tent without collection excess charges.**  
**Case pending.**
- No. 315. Mrs. M. Monagan (Carson)**  
v.  
**Spokane, Portland & Seattle Railway.**  
**Complaint—Crossing.**  
**Case closed.**
- No. 316. E. A. Smith (Chataray)**  
v.  
**Great Northern Railway.**  
**Complaint—Station at Chataray.**  
**Formal complaint to be filed.**  
**Case pending.**
- No. 317. Mitchell, Lewis & Staver (Portland)**  
v.  
**Oregon Railroad & Navigation Company.**  
**Complaint—Loss of goods by fire.**  
**Disposition—Case pending.**
- No. 318. Harris Brothers (North Yakima)**  
v.  
**Northern Pacific Railway.**  
**Complaint—Rates on shipments of livestock.**  
**Case pending.**
- No. 319. Albers Brothers (Seattle)**  
v.  
**Northern Pacific Railway.**  
**Complaint—Overcharge on shipment of barley from Montana.**  
**Due to error of agent.**  
**Disposition—Refund to be made.**  
**Case closed.**

- No. 320. H. A. McPherron** (Prosser)  
v.  
Northern Pacific Railway Company.  
Complaint—Car supply at Gibbon.  
Disposition—Relief promised by construction of spur.  
Case pending.
- No. 321. Jacob Fox.** (Ferndale)  
v.  
Great Northern Railway.  
Complaint—Station at Custer.  
Case pending.
- No. 322. Tacoma Lounge & Mattress Company** (Tacoma)  
v.  
Northern Pacific Railway Company.  
Complaint—Claim for interest on delayed payment of claim.  
Disposition—No power to require payment of such claim.  
Case closed.
- No. 323. C. G. Morris** (Rabier)  
v.  
Northern Pacific Railway.  
Complaint—Agent.  
Case pending.
- No. 324. F. O. Berg Company** (Spokane)  
v.  
Great Northern Railway Company.  
Complaint—Rate on cotton duck.  
Case pending.
- No. 325. Polson Shingle Company** (Hoquiam)  
v.  
Northern Pacific Railway.  
Complaint—Claim for overcharge on weight of lumber.  
Disposition—Pending.
- No. 326. The Murphy Hay Co.** (North Yakima)  
v.  
Northern Pacific Railway.  
Complaint—Claim for overcharge on demurrage.  
Disposition—Pending.
- No. 327. Pacific Grocery Company** (Everett)  
v.  
Railways.  
Complaint—Distributive rates.  
Disposition—Pending.

- No. 328. J. E. Burrows (Grandview)  
v.  
Northern Pacific Railway.  
Complaint—Claim for refund of baggage charge.  
Disposition—Pending.
- No. 329. L. E. Wolfe et al. (Baker)  
v.  
Great Northern Railway.  
Complaint—Protest against changing name of station.  
Disposition—Pending.
- No. 330. C. E. Armstrong et al. (Edwall)  
v.  
Great Northern Railway.  
Complaint—Insufficient train service.  
Disposition—Pending.
- No. 331. J. W. Lysons (Seattle)  
v.  
Great Northern and Northern Pacific Railways.  
Complaint—Claim for refund on ticket purchased by delegates to Republican State Convention and also refusal to allow parties to go through gate at King St. Station to meet incoming passengers.  
Disposition—Pending.

## FORMAL COMPLAINTS AND HEARINGS.

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No. 4. In re Valuation

v.

The Northern Pacific Railway Company,  
a corporation;  
The Great Northern Railway Company,  
a corporation;  
The Oregon Railroad & Navigation Company,  
a corporation;  
The Washington & Columbia River Railway Company,  
a corporation;  
The Port Townsend Southern Railroad Company,  
a corporation;  
The Columbia & Northern Railway Company,  
a corporation;  
The Columbia & Red Mountain Railway Company,  
a corporation;  
The Washington & Great Northern Railway Company,  
a corporation;  
The Spokane Falls & Northern Railway Company,  
a corporation;  
The Washington, Idaho & Montana Railway Company,  
a corporation;  
The Columbia & Puget Sound Railroad Company,  
a corporation;  
The North Yakima & Valley Railway Company,  
a corporation;  
The Bellingham Bay & British Columbia Railway Company,  
a corporation;  
The Tacoma Eastern Railroad Company,  
a corporation;  
The Ilwaco Railway & Navigation Company,  
a corporation;  
The Seattle & Montana Railway Company,  
a corporation;  
The St. Paul, Minneapolis & Manitoba Railway Company,  
a corporation;  
The Washington Central Railway Company,  
a corporation;  
The Columbia & Palouse Railroad Company,  
a corporation;  
The Walla Walla & Columbia River Railroad Company,  
a corporation; and  
The Snake River Valley Railroad Company,  
a corporation.

This hearing was held in accordance with the provisions of section 12, of the Act of 1907, after due notice.

The first hearing was set for June 11, 1907, and a period of weeks was spent in taking testimony, followed by a series of hearings extending over a period of about a year and a half. The investigation covered every phase of railway construction, valuation, and division of values as provided under the section of the act referred to. The record in this case is very voluminous, seventy-five witnesses in all being called, some half million words in testimony and two hundred exhibits filed comprising the findings of the Commission, based on the testimony taken, are published elsewhere in this report.

**No. 5. Citizens of Mesa and Yelm (Mesa and Yelm)  
v.**

**Northern Pacific Railway Company.**

This complaint was made by the citizens of Mesa and Yelm, alleging the need of a station building, and agent at each of the places named.

Upon failure to reach a satisfactory adjustment, a formal complaint was filed in the name of the Commission. The hearing was held after due notice to the company, and the company appeared by its attorneys, and witnesses were examined in behalf of the complainants.

On the findings of fact the Commission issued its order requiring its construction of a suitable standard station building at each place, and the installation of a regular agent. The order was complied with by the railroad company.

Case closed.

**No. 6. The Railroad Commission  
v.**

**Oregon Railroad & Navigation Company, Northern Pacific Railway Company, Great Northern Railway Company and Spokane & Inland Railway Company.**

**Complaint**—Several causes of action were joined in this complaint, namely, joint rates on wheat, potatoes, barley and mill feed, hay and oats, in which all the defendants were involved, terminal rates to Bellingham, Grays Harbor and Willapa Harbor, track connections at points of intersection, and termini, which involved all the defendants except the Great Northern, and the rate on stone from Ilse Spur to Spokane, affecting the Oregon Railroad & Navigation Company.

The various roads appeared by their attorneys, and a number of witnesses examined in behalf of state and the defendants on its findings of fact; an order was made requiring the establishment of a joint rate on wheat, potatoes, hay, oats, barley and mill feed from points on the Oregon Railroad & Navigation Company to points on Puget Sound, Grays Harbor and Willapa Harbor. From this order the companies effected appeal, and the case is now pending in the Supreme Court of the State.

The Commission made an order reducing the rate on stone from Ilse Spur to Spokane, which order became effective, no appeal being filed. The Commission made an order requiring track connections to be made between the Oregon Railroad & Navigation Company and the Northern Pacific at Oaksdale, Farmington, Garfield, Pullman and Connell. Between the Oregon Railroad & Navigation Company, and the Spokane & Inland at Waverly, Oaksdale, Thornton, Colfax, and Garfield. The Spokane & Inland and Northern Pacific at Oaksdale and Garfield. The railways appealed from this order and the case is now pending in the Supreme Court of this State. Prior to the hearing the Northern Pacific Railway offered to pay one-half of the expense of making the various track connections.

**No. 7. W. H. Paulhamus**

**v.**

**Northern Pacific Express Company.**

**Complaint**—This was a complaint based on the increased rate on berries and fruit. As a result of the new ruling of the Interstate Commerce Commission requiring the weight of the crates to be included with the weight of the fruit.

**Disposition**—A formal complaint was issued, which was taken up by mutual consent, without formal notices. After a conference between the Complainant, the Railroad Commission, and the representatives of the Express Companies, a new schedule of rates, by express, on fruits and vegetables was agreed to, making a very material reduction in all the rates throughout the State, affecting almost every station on the Northern Pacific Railroad, which reduction was put into effect at once.

**No. 8. The Railroad Commission**

**v.**

**Northern Pacific, Great Northern, Oregon Railroad & Navigation Companies.**

**Complaint**—This was a formal complaint and hearing for the



purpose of putting into effect rules and regulations governing train and station services, and certain safety regulations for train operation.

**Disposition**—The Commission made an order promulgating rules and regulations as published elsewhere in this report, requiring the same to be posted in waiting rooms at all stations. The Northern Pacific and Great Northern Railways refusing to observe certain of these rules, and an action was brought in the courts to recover penalties for the failure to observe all the rules. This action is now pending. The Oregon Railroad & Navigation Company has observed the rules in full.

**No. 9. Citizens of Touchet**

v.

**Oregon Railroad & Navigation Company.**

**Complaint**—This was a complaint as to lack of station building and agent.

**Disposition**—Hearing was held after due notice. The company appeared by its attorneys, and witnesses appeared in behalf of the complainant. The Commission made its findings and issued an order requiring the construction of a suitable station building and the installation of an agent at that point. The order has been complied with.

**No. 10. Carstens Packing Company and H. A. Burnham**

v.

**Northern Pacific Railway Company.**

**Complaint**—Two causes of action were joined in this complaint. The Carstens Packing Company complained of the increase in the switching rates on slab wood, and H. A. Burnham complained of the need of a spur to his mill, adjacent to the main line of the Northern Pacific Railway near Rainier.

**Disposition**—The complainants and the railroad company appeared in person and by attorneys and testimony was taken. The Commission made its findings and issued an order reducing the switching charges on wood to the Carstens Packing Company and requiring the railroad company to construct a spur to Burnham's mill.

From both of these orders the railroad appealed, and the case is now pending in the courts.

**No. 11. The Railway Commission**

v.

**Northern Pacific Railway Company.**

**Complaint**—This complaint alleged the necessity of certain

regulations for safety of operation in the Northern Pacific yards at Pullman.

**Disposition**—The case was closed by the installation of a block system at that point.

**No. 12. Citizens of Mondovi**

v.

**Northern Pacific Railway Company.**

**Complaint**—This was a complaint alleging the need of a station building and agent at Mondovi.

**Disposition**—The hearing was held on deposition, and the Commission made its findings and issued an order requiring the construction of a standard station building and the installation of a care-taker at that point. The order was complied with by the railway company.

**No. 13. Citizens of Rochester, Outlook, and Ritzville**

v.

**Northern Pacific Railway Company.**

**Complaint**—These were complaints of the lack of station facilities at the stations named.

**Disposition**—Hearing was held after due notice, and testimony taken. The railway company appeared by its attorneys. Findings were made, and order issued requiring the enlarging of the station building and installation of a care-taker at Rochester, the erection of a suitable station building and the installation of a care-taker at Outlook, and the construction of an additional waiting room at the depot in Ritzville. The order has been complied with as to Rochester, and Outlook. After the assembling of the material on the ground at Ritzville, permission to build was denied by the city council on the ground that the building was within the fire limits, and the proposed addition was of wood. The Commission notified the city council that it would not attempt to enforce the order, in accordance with the prayer of the complainant, where the municipal authorities refused the building provided.

**No. 14. W. R. Cunningham & Others**

v.

**Northern Pacific and Great Northern Railways.**

**Complaint**—This complaint as to the reasonableness of rates on grain was filed by W. R. Cunningham and others in February, 1906. The hearing was deferred until the Commission could secure data on which to base the determination of the reasonableness of rates in the State of Washington.

**Disposition**—A formal complaint was filed, and hearing was held at Ritzville in May, 1908. The railroads appeared by their attorneys and a large number of witnesses were heard, in behalf of the complainants and defendants. The hearing was adjourned from Ritzville to Spokane, where further testimony was taken. Adjournment was taken from Spokane to Olympia, subject to further notice of the Commission. The case is now pending, awaiting the decision of the Supreme Court of the state in a case before that body involving the constitutionality of the Commission laws. If the law is held to be constitutional the hearing will be concluded and an order made. If held unconstitutional the entire matter will be referred to the legislature for appropriate action with a recommendation for statutory rate and asking for the submission of an amendment to the state constitution conferring rate-making power on the Railroad Commission.

- No. 15. Citizens of Leavenworth, Cashmere, Malaga, Wenatchee, Winchester, Adrian, Lamona, Waukon, Espanola, Bossburg, and the Commission on its own motion on behalf of the Citizens of Krupp

v.

Great Northern Railway Company.

**Complaint**—The several complaints from the places named were joined in one hearing, which was continued from place to place, and testimony taken at each of the stations, the witnesses of Bossburg appearing at Spokane. The Commission on its own motion filed a complaint as to Krupp and notice was waived.

**Disposition**—The railroad company announced its intention to comply with the prayer of the complaint at Wenatchee, Cashmere, and Leavenworth, and no order was made in regard to these places. The Commission made its findings and issued orders requiring the construction of suitable standard station buildings at the remaining places, and the installation of care-takers, and agents. All of these orders have been complied with.

- No. 16. Citizens of Grandview

v.

Northern Pacific Railway Company.

**Complaint**—The complaint alleged the need of a station building, and agent at Grandview.

**Disposition**—Testimony was taken on deposition, and the railway company appeared at the hearing in Olympia. The Commission made its findings, and issued an order re-

quiring the construction of a suitable standard station building at Grandview, and the installation of an agent. The building is now in the course of construction.

**No. 17. The Railroad Commission**

v.

**Northern Pacific Railway Company.**

**Complaint**—This complaint was based on the requirements as to the minimum loads of lumber and shingles in refrigerator cars.

**Disposition**—The railroad company appeared by its attorneys. After consultation it agreed to amend its tariff so as to comply with the prayer of the complaint, which has been done.

**No. 18. Citizens of Sproule and Bluff Stations**

v.

**Puget Sound Electric Company.**

**Complaint**—The complaint alleged the need of stopping trains at Sproule Road Crossing, and at Bluff Station.

**Disposition**—Both parties appeared at the hearing. An order was made requiring the stopping of trains at Sproule Road Crossing. The hearing as to Bluff Station was continued for receipt of further testimony, trains to stop meantime.

In addition to the foregoing list of formal complaints which have been transferred from the informal complaint docket, there was one formal hearing held at Tacoma before a referee of the Interstate Commerce Commission, on the complaint of the Railroad Commission of Washington, on the relation of Hardenbey, Dolson & Gray, of Auburn, alleging the unreasonableness of the rates on hay from Portland, Oregon, to Auburn. The railway appeared by its attorneys and officers, and the Railroad Commission appeared with the Assistant Attorney General, in behalf of the complainant. Testimony was taken on which the Interstate Commerce Commission made its order reducing the rate in accordance with the prayer of the complaint, and ordering reparation to the amount of \$80 on shipments previously made, and that the reduced rate be continued in effect two years from date. It is interesting to note in this connection, that this hearing was held and the determination was made without expense to the complainant, or effort beyond the writing of the letters.

In all of the foregoing cases, Assistant Attorney General A. J. Falknor, or Assistant Attorney General J. B. Alexander appeared in behalf of complainants. In one or two cases only was assistant counsel supplied by complainant.

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**Findings as to Value of Railroads,  
and Other Facts.**

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## ASCERTAINING VALUE OF RAILROADS, AND OTHER FACTS, AS PROVIDED IN SECTION 12.

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The original Commission Act provided, in substance, that the Commission should, as early as practicable, ascertain the amount of money expended in the construction and equipment, per mile, of every railroad in Washington.

Under this act the Commission, agreeable to its terms, employed experts for the purpose of complying with the provisions of the law. The manifest object of the Legislature was to enable the Commission to ascertain the investment upon which the railroad was entitled to earn a return to be considered in the determination of reasonable rates. After investigating this subject with great care, examining the authorities and particularly the decisions of the Supreme Court of the United States, the Commission became convinced that a literal compliance with the terms of the act would be of little, if any, value to the state, as the statute provided for ascertaining but one of the many elements that must of necessity be considered in ascertaining the amount upon which the road is entitled to earn a return. While the original investment is material and should be known, the authorities would indicate that the railroad is entitled to earn a reasonable return on the "value" of the property used by it for the public convenience at the time of the inquiry. And the courts have clearly intimated that in ascertaining this value consideration must be given to not only the original investment, but also to the cost of reproduction, the amount and market value of the stocks and bonds, the density of traffic and, in short, every element that a prudent investor would consider in determining the market value of the property. The Commission became further satisfied that the value of railroad property, like any other property, was subject to change by changed conditions and that the value of a railroad today might be entirely different in ten years

though the physical conditions should remain practically unchanged.

In attempting to comply with the original statute the Commission was met with the statement by the roads, and particularly by the Northern Pacific Railway Company and the Oregon Railroad & Navigation Company, that their records were incomplete, many of their original records having been lost or destroyed, and that it was, therefore, impossible for the roads to furnish us with a statement which would even be approximately correct, showing the original investment. And the Commission was compelled to employ engineers and accountants to investigate and ascertain the same. The Commission early appreciated that a large expenditure would be necessary in order to accomplish this object, and, after investigation, concluded that the expense would be but slightly increased if at the same time it ascertained the unit quantities entering into the construction of the road; that is to say, the units of labor and material furnished and used. Having these unit quantities, prevailing prices could be applied at any future time and the cost of reproduction at the time of the inquiry be thus ascertained without any appreciable expense, providing the work of keeping up the permanent improvements made by the roads is properly preserved and placed of record in the office of the Commission.

The large expense to be incurred, the fact that many expert engineers and accountants were employed who would probably scatter and their whereabouts become unknown, impressed the Commission with the necessity of having the facts, when ascertained, made permanent and evidentiary so as to obviate the necessity of ever duplicating the work. With this object in view, the Commission spent much time and labor in drafting an amendment to the law, which is found in amended section 12 passed by the Legislature of 1907, definitely directing the Commission to ascertain every element that the courts have intimated should be considered, as well as every element that the Commission, after careful investigation, concluded would be material as showing the true value of the property, providing for a formal hearing before the Commission, after due notice to the roads, at which hearing the railroads are entitled to subpoenas compelling the attendance of all witnesses which



it desires to offer, providing for the preservation of all the testimony, and that findings of fact shall be made on every element entering into or proper to be considered in ascertaining the market value of the property, making ample provisions for a court review, and finally providing that these findings of fact, when offered under the seal of the Commission, shall be conclusive evidence of the facts therein stated as of the date of the filing, subject only to be contradicted by showing changed conditions subsequent thereto. Our engineers were, therefore, instructed to procure not only the original cost and the cost of duplication or reproduction, but, whenever possible, to procure in detail every unit quantity of labor and material entering into the construction of the road. This evidence was procured and introduced before the Commission, and the Commission, in making its findings, has not only ascertained the amount of money expended, the amount of money necessary to duplicate or reproduce the property, but, in addition thereto, has ascertained every unit quantity such as the number of cubic yards of earth, solid rock, hard pan, loose rock, cemented gravel and other grading quantities necessary to be moved, together with the necessary overhaul connected therewith, the number of tons of steel in the rails, the track fastenings, ties, iron and timber in bridges, the floor area of all buildings and every unit quantity entering into the construction. To these units current prices can at any time be applied and the cost of reproduction under the conditions then existing ascertained without any material expense, provided the Commission, from time to time, will have a further hearing to ascertain the nature of the improvements placed upon the property subsequent to the date of our findings and make supplementary findings of fact concerning the same. Not only did the Commission find itself without precedent to follow, but no similar comprehensive statute has ever been enacted. The Commission appreciates fully the importance of this work and the responsibility resting upon it.

It is self-evident that if a railroad is entitled to earn a reasonable return on the value of its property, that no intelligent judgment can be made concerning a schedule of rates without first obtaining the value of the property upon which the returns must be based, and as this value is subject to change, the

necessity of ascertaining this value under the changed conditions without duplication of work must be apparent. With these controlling ideas the Commission has so sought to perform these labors and to so cover the different elements in its findings that the work will be completed so as to not only give the present value of the railroad property, but that it will enable the Commission at any time in the future, without duplication of labor or expense, to ascertain the then value of the property, basing the same on the findings made at this hearing, together with the betterments and improvements, consideration being given only to the changed conditions as they might from time to time arise.

The pioneer state to ascertain the physical value of railroad properties was Texas, through its Railway Commission. The apparent primary object of the legislation of Texas providing for the valuation of the railroads was for the purpose of limiting the issuing of stocks and bonds; that is, to prevent stock watering. Obviously the chief element or consideration in determining whether the capital account of a railroad should be increased would be the money invested therein. Subsequent to ascertaining this value the Railway Commission of Texas attempted to apply the valuation thus fixed for the purpose of regulating the rates and using this valuation as the amount upon which the railroad was entitled to a return from rates and fares. The Supreme Court of the United States set aside the order of the Commission upon the ground that the elements shown to have been considered by the Commission in fixing their valuation was too narrow and that elements had not been considered which entered into the market value of the road. Michigan and Wisconsin also attempted to secure a valuation of railroads, but such valuation was not made by the Railroad Commission, the primary objects of these states being to ascertain the value for the purpose of taxation. Minnesota is now engaged in ascertaining the values of the railroads within the borders of its state through the Railroad and Warehouse Commission.

The Supreme Court of Minnesota has ruled that the controlling and practically the only element necessary to be considered in ascertaining the value of a railroad for rate-making purposes is the cost of reproducing the line. This decision is

so manifestly at variance with the weight of authority that this Commission did not feel justified in following that decision.

We believe that this Commission is the first Commission to ascertain the original cost of construction, also the only Commission that has attempted to ascertain the unit quantities, and the only Commission that has attempted to consider the elements that would be taken into consideration by a purchaser of the property so as to ascertain the true market value. At first impression it might appear that unnecessary detail was entailed by the Commission in procuring the original grading and construction units and in ascertaining the original expenditures. The importance of this matter, however, is found in the fact that when there has been ascertained from the original distribution sheets all the different units of labor performed and material moved and used, and what the money was expended for, all the questions of contingencies that would likely arise are covered. An engineer going over a line of any of our transcontinental roads through a mountainous section viewing the property, can only conjecture the amount and nature of the construction work performed. If, however, he has the unit quantities showing exactly what was performed, he then is in a position to know what it would cost to reproduce the property today without conjecture or guess. This is best illustrated in the contention of the railroads that it was necessary and proper to add to the sums necessary to be expended in performing the units of labor and in procuring the units of construction a sum ranging from  $7\frac{1}{2}$  to 10 per cent. on the total outlay to cover contingencies. Engineers expert in railroad accounts, both engineering and auditing, were employed to expert the books and records of the different companies for the purpose of ascertaining the original expenditure and the sums expended in betterments and improvements; original entries such as vouchers, original estimates, distribution sheets and final settlements with contractors as found in the engineering department were examined and summarized; lists were made from the same department showing all structures, their age, size, cost, and statements were likewise procured showing the existing rails and their weight, track fastenings, ties, ballast, sidings, etc. These summarized lists were compared and checked with the records in the auditing department. Having pro-

cured the information showing both the unit quantities and original cost for all improvements, whether or labor or material, competent engineers were then sent out to inspect the lines and ascertain if the improvements had been made as indicated by the records, and all structures and material checked on the ground with the data procured as aforesaid. We thus obtained the units entering into the construction of the different lines. In ascertaining the cost and amount of equipment properly chargeable or allowable to the state, we ascertained from the companies' records the amount of equipment purchased and now in existence on its entire line, the date when each unit was purchased and put in use, and the original cost of each unit. We also procured the passenger and freight car and engine mileage on the entire system and the same information as to the state and charged or allowed to the state equipment in proportion as the mileage of each class in the state bore to the mileage of the same class of equipment on the entire system. To the different units of construction and equipment thus found current market prices were applied and the cost of reproducing the property new was obtained.

In ascertaining the depreciation of equipment, structures and material our engineers adopted what might be termed "mortality tables of structures." The following extract from Mr. Gillette's report on this subject is so clear and concise that we reproduce it:

"In estimating the present or depreciated value of structures, rolling stock, etc., both Michigan and Wisconsin had sent experts into the field to estimate the percentage of present value of each unit. In this manner 40,000 freight cars were inspected in Michigan, and their 'present value' estimated. To me this seemed to be not only a useless procedure, but very erroneous. Aside from the great expense of thus inspecting each car and structure, I was influenced by a belief in the far greater accuracy of applying what might be termed "mortality tables of structures." If the age of a man is known, his expectation of life can be estimated from mortality tables. Insurance companies do not have their doctors guess at the man's probable life. The doctor merely reports the man as not suffering from disease, and the insurance company having the man's age, applies its mortality tables. In like manner, it seemed to me, the 'present value' of a car or locomotive could be accurately estimated if its present age were known. It is a well established fact that a freight car has a useful life exceeding 20 or 25 years. If the average car has a life of 25 years, it loses 4 per

cent. of its life every years. Hence by multiplying its age in years by four per cent., its lost life or depreciation is accurately ascertained; and, by subtracting this depreciation from 100, the remainder will give its 'present value' expressed as a per centage of its value new.

"I believed that it would be far less expensive to ascertain the age of each car, and each structure from the records of the companies, and to estimate the present value by the methods just explained than to inspect each structure in the field. This proved to be the case, and it effected a very substantial saving in the cost of the appraisal, while, at the same time, it yielded more reliable results.

"In some cases the records in the engineering office of the railways did not show the ages of existing structures, but in such cases their accounting records showed the dates when structures were built, or when cars were purchased.

"If practically all the structures shown in the accounting records are still in existence, and the money expended each year for each class of structure is known, it is a very simple matter to figure the average age of the money invested in such structures which, after all, is what is needed in estimating present value. To illustrate, suppose there are a number of station buildings in existence, whose age is not known. Suppose, however, that \$10,500 was spent for such buildings in 1896, \$20,000 in 1900, and \$5,000 in 1902. Then in 1906, the average age of the money invested in these buildings is ascertained thus:

\$10,500 x 10 yrs. equals \$105,000 one year

\$20,000 x 6 yrs. equals 120,000 one year

\$ 5,000 x 4 yrs. equals 20,000 one year

"This gives a total of \$35,500 invested seven years; for \$245,000 divided by 35,500 gives seven years approximately.

"The rule to be followed in all such cases is to multiply the money expended each year for structures of a given class by the age in years, add all these products together, and divide by the total cost of all the structures under consideration. The quotient is the average age of all the structures, or, more strictly speaking, the average age of the money invested in the structures. If some of the structures are no longer in existence, this method can still be applied. Take railway cross-ties for example. Ascertain the total value of cross-ties in the track, then go back through the records of the tie renewals, by years, until the total cost of the renewals adds up to the total value of ties now in the track. Then compute the average age as above shown. If the price of ties has fluctuated, ascertain the actual price paid, and reduce all yearly expenditures for renewals to the present price."

The railroads operating in this state, and particularly the Northern Pacific Railway Company and the Great Northern Railway Company, have anticipated the growth and development of the state, and to that end have made large investments

are procured and are holding large and valuable tracts of land, especially in Seattle, Tacoma, Everett and Spokane, for terminal grounds, the present value of which amounts to many millions of dollars. In ascertaining the cost of real estate and right of way owned by the railroads the Commission employed men expert in procuring lands for railroads for use for railroad purposes, these men making a personal inspection of every line of road within the state and every piece of property owned by the roads. In the larger cities we also employed expert real estate men of high standing and had them personally investigate all the holdings of the railroads, and on a subsequent date took their testimony as to the values. In short, as to the value of the real estate and terminals we followed the same general lines that would be pursued in court in an ordinary condemnation action.

Evidence was also introduced showing the volume and character of the business done by the several roads, including its permanency and whether likely to increase or diminish. The importance of considering this element was exemplified by a comparison of the evidence introduced by the Tacoma Eastern Railway and the Great Northern and Northern Pacific Railways. The evidence as to the Great Northern and Northern Pacific tended to show that their business in the state would tend to increase their traffic, consisting largely of the products of agriculture, horticulture and manufacture, all of which would increase in production, and that their passenger business would improve owing to the great increase in the density of population. The testimony in behalf of the Tacoma Eastern tended to show its business confined largely to forest products, and that within the next decade this traffic would of necessity be curtailed.

These considerations would clearly effect the market value of the property. We also inquired minutely into the physical characteristics of the roads, particularly as to the grades and curves and other conditions effecting the cost of operation.

The market value of the stocks and bonds was covered for the period of six years.

Our engineers prepared tabulated statements showing unit quantities, cost per unit and total estimated cost of reproduction of the different roads, and a copy was served upon each

of the roads and ample time given the railroads to check up the work of our engineers. After this checking was done the evidence of the railroad was taken and discrepancies and omissions, which they were able to find, pointed out. These alleged discrepancies and omissions were then thoroughly investigated and gone into by the experts employed by the Commission and their testimony taken thereon. By adopting this method we feel that we have been able to arrive at an accurate conclusion as to the unit quantities and cost of reproducing the lines within the state; which last mentioned, while not the only element, is one of the controlling elements in fixing the market value of railroad property.

Tentative findings were then prepared and served upon the railroads interested and also delivered to the Tax Commission of the state. Up to this point the Commission had not fully appreciated the use to which these findings might be put and used for assessment purposes. Realizing that under the statute its findings as to the value of the property would be very material and evidentiary in determining the value of the different roads for assessment purposes, the Commission delivered to the assessors of the counties in which there are large terminal grounds copies of the tentative findings in so far as they effected the several counties, and requested their co-operation to the end that property which was owned and held by the railroad companies for the alleged purpose of operating property, but which was not being used at the time and which the evidence failed to show was necessary for the use of the company in the immediate future for operating property, might not be included as operating property, but that the same should be by the findings held to be non-operating property and thus subject to local assessment in the several counties. This has resulted in the Commission finding that property owned by the Northern Pacific Railroad Company and claimed by it to be held for future operating property in Tacoma is commercial property aggregating in value \$5,000,000, and that the same company owns in Seattle property found to be commercial property aggregating in value \$9,250,000, and in Spokane approximately \$1,194,155, while the Great Northern alone in Seattle owns property which the findings treated as commercial exceeding in value \$9,000,000.

The railroads treat mail and express in their accounts as pertaining to passenger business, and we so treated both the cost of service and the revenue, excepting that we divided the cost and revenue between state and interstate on the revenue actually received.

After producing the physical and market value of the railroad property within the state the Commission was next confronted with what appeared to be an impossible task, viz., the segregation or division of this value according to its use in the conduct of the state and interstate business respectively. As an illustration, the Northern Pacific Railway Company carries in ton miles over its lines in the State of Washington approximately 70 per cent. thereof interstate business and approximately 30 per cent. state business. It is aparent that the Northern Pacific Railway Company is not entitled to earn on this 30 per cent. use a return on the total value of its property. We were confronted with a decision of the Supreme Court of the United States in the Nabraska rate case with the statement that in considering the profits the road might be making we might not consider any profit it might be making from its interstate business. This left but one alternative, and that was the division of this value state and interstate so as to ascertain the value of the use of the railroad for the accommodation of the people of the state. This division has never been attempted by any other Railroad Commission.

The Circuit Court of the United States for the District of South Dakota attempted to make such a division for the purpose of ascertaining if the schedule of maximum rates prescribed by the Legislature of South Dakota left the Chicago, Milwaukee & St. Paul Railway Company a reasonable return on the value of its property used in South Dakota for the benefit and accommodation of the people of that state. The learned Circuit Court made his division on the gross receipts. The Supreme Court of the United States reversed this decision, holding that it was necessary to first ascertain the relative proportion of cost of operation properly chargeable to the interstate and state traffic respectively, thus ascertaining the net returns received.

The railroads were able and did furnish us the cost of operating the different operating divisions. By employing expert



accountants we ascertained from the records of the company the movement of traffic and cars over the division outside and within the state, and thus ascertained the cost properly chargeable to the State of Washington. These experts also ascertained the ton miles of freight moving over the lines within the state, the passenger miles, freight miles and engine miles moved over these different divisions and over the lines within the state, the tonnage and ton miles, passengers and passenger miles of state and interstate business respectively moving over the lines within the state, and the average distance each commodity and passenger was hauled, and from the consideration of these elements had expert witnesses testify as to the relative cost of carrying the business of the state and the interstate business over the lines within the state respectively, dividing these different elements of cost among all the classes and commodities moving within the state.

The Commission also took evidence showing the density of traffic along the different lines, the density of population, evidence tending to show whether the density of traffic and population was likely to increase or diminish; all physical characteristics of the road were ascertained which would effect the movement of traffic, and findings were made upon every element which the Commission believed an intending purchaser would consider. These findings were then presented to expert witnesses who had familiarized themselves with the movement of traffic, with the local conditions and with all the facts that would effect the traffic and the conditions which would enter into the making of rates by an honest, fair railroad man; the different tariff sheets were introduced and filed; the gross receipts arising from both state and interstate shipments, and other facts connected with the movement of traffic were presented in tabulated form, and these experts made comparisons of the rates and cost of service on the same commodities and on different commodities, state and interstate, and from a consideration of all these facts the Commission based its division of values as shown in the findings.



# BEFORE THE RAILROAD COMMISSION OF WASHINGTON.

## In the Matter of Ascertaining the Values of the Railroads in the State of Washington.

THE RAILROAD COMMISSION OF WASHINGTON,  
vs. Complainant.

The Northern Pacific Railway Company, a corporation;  
The Great Northern Railway Company, a corporation;  
The Oregon Railroad & Navigation Company, a corporation;  
The Washington & Columbia River Railway Company, a corporation;  
The Port Townsend Southern Railroad Company, a corporation;  
The Columbia River & Northern Railway Company, a corporation;  
The Columbia & Red Mountain Railway Company, a corporation;  
The Washington & Great Northern Railway Company, a corporation;  
The Spokane Falls & Northern Railway Company, a corporation;  
The Washington, Idaho & Montana Railway Company, a corporation;  
The Columbia & Puget Sound Railroad Company, a corporation;  
The North Yakima & Valley Railway Company, a corporation.  
The Bellingham Bay & British Columbia Railroad Company, a corporation;  
The Tacoma Eastern Railroad Company, a corporation.  
The Ilwaco Railway & Navigation Company, a corporation.  
The Seattle & Montana Railway Company, a corporation;  
The St. Paul, Minneapolis & Manitoba Railway Company, a corporation;  
The Washington Central Railway Company, a corporation;  
The Columbia & Palouse Railroad Company, a corporation.  
The Walla Walla & Columbia River Railroad Company, a corporation; and  
The Snake River Valley Railroad Company, a corporation,  
Defendants.

FINDINGS  
OF FACT.

THIS CAUSE coming on regularly to be heard before the RAILROAD COMMISSION OF WASHINGTON, after notice duly given to the defendants above named and each of them, upon the complaint filed herein, for the purpose of ascertaining the facts provided for in section 5, chapter 226 of the session laws of Washington for the year 1907; to-wit: The facts bearing upon the cost and value of the railroad property of the representative railroads in the state, as more fully appears by said complaint; the Commission appearing by all the Commissioners and by A. J. Falknor, Assistant Attorney General, as counsel for the Commission; the Northern Pacific Railway Company appearing by B. S. Grosscup, its attorney; the Great Northern Railway Company appearing by M. J. Gordon, its attorney; the Oregon Railroad & Navigation Company appearing by A. C. Spencer, its attorney; the Tacoma Eastern Railway Company appearing by E. M. Hayden, its attorney; the Bellingham Bay & British Columbia Railroad Company appearing by C. W. Howard, its attorney; the Spokane Falls & Northern Railway Company appearing by M. J. Gordon, its attorney; the Port Townsend Southern Railroad Company appearing by B. S. Grosscup, its attorney; the Washington & Columbia River Railway Company appearing by B. S. Grosscup, its attorney; the Columbia & Northern Railway Company appearing by M. J. Gordon, its attorney; the Columbia & Red Mountain Railway Company appearing by M. J. Gordon, its attorney; the Washington & Great Northern Railway Company by M. J. Gordon, its attorney; the Washington, Idaho & Montana Railway Company appearing by M. J. Gordon, its attorney; the Columbia & Puget Sound Railroad Company appearing by W. B. Stratton, its attorney; the North Yakima & Valley Railway Company appearing by Ira P. Englehart, its attorney; the Ilwaco Railway & Navigation Company appearing by A. C. Spencer, its attorney; the Seattle & Montana Railway Company appearing by M. J. Gordon, its attorney; the St. Paul, Minneapolis & Manitoba Railway Company appearing by M. J. Gordon, its attorney; the Washington Central Railway Company appearing by B. S. Grosscup, its attorney; the Columbia & Palouse Railway Company appearing by A. C. Spencer, its attorney; the Walla Walla & Columbia River Railroad Company appearing by A. C. Spencer, its attorney; the Snake River Valley Railroad Company appearing by A. C. Spencer, its attorney; all parties having announced themselves ready for trial, the evidence having been from time to time introduced on behalf of the complainant, the Railroad Commission of Washington; and evidence having been introduced by and on behalf of each of the respective railroads as to the cost of construction, reproduction and present value, volume of traffic passing over the line, and the cause having been duly argued and submitted to the Commission concerning the cost of construction, reproduction and present value, and it being expressly stipulated by and between the respective parties hereto that the Commission should make and render its findings of fact upon the cost of construction,

the cost of reproduction and the physical values of the properties of said railroad companies, and each of them, before attempting to divide the value of the use to which the respective properties were severally put in the conduct of intrastate and interstate business respectively, and it being expressly stipulated by and between the parties hereto, that the cause is continued for the taking of further testimony as to the value of the use to which said several properties are put in the conduct of intrastate and interstate business, respectively, and the Commission being fully advised in the premises does now make and render upon the questions so submitted, the following findings of fact:

**FINDINGS OF FACT APPLICABLE TO THE NORTHERN PACIFIC RAILWAY COMPANY.**

**Finding No. 1.**

That the Northern Pacific Railway Company is a corporation duly organized and existing under and by virtue of the laws of the state of Wisconsin, and has complied with the laws of the state of Washington concerning foreign corporations; and as such corporation is the owner of lines of railroad within the state of Washington, and is engaged as a common carrier in the carriage of freight and passengers for hire over such lines within the state.

**No. 2.**

That the Northern Pacific Railroad Company owned and operated the lines above mentioned in the state of Washington, together with other lines owned and operated by the said Northern Pacific Railroad Company in other states, extending from Duluth, Minnesota, to the state of Washington, including thirty-one million acres of land, which was purchased at a mortgage foreclosure sale by the Northern Pacific Railway Company on the 15th day of October, 1908, for the sum of \$5,000,000.00. That an action had been duly commenced to foreclose a mortgage upon said property of the Northern Pacific Railroad Company and a reorganization agreement was arrived at prior to such sale by the plaintiff, mortgagee, and representatives of said railroad and the holders of a large portion of the stock and bonds of the said railroad company, by which reorganization agreement a new company was to be formed and organized which should bid in said property at a foreclosure sale and the owners and holders of the stock and bonds of the said Northern Pacific Railroad Company were to be protected by receiving stocks and bonds in such new corporation in exchange for the stocks and bonds of said railroad company held and owned by them, which said agreement was carried out, the Northern Pacific Railway Company being organized and becoming the purchaser of said railroad property at the foreclosure sale as aforesaid, a copy of said agreement being hereunto annexed, marked "Exhibit A," and made a part of these findings.

1896

## No. 3.

That the main line of the Northern Pacific Railroad Company as originally constructed in the state of Washington, consisted of a line extending from the Washington and Idaho boundary, from a point near Newman Lake, westerly and southerly to Wallula Junction, from Pasco westerly and northwesterly to Tacoma, and the Twenty-third street line in Tacoma 1.95 miles. Numerous branch lines were purchased and constructed by said Northern Pacific Railroad Company and by the Northern Pacific Railway Company, and the main line of the Northern Pacific Railway Company as now operated, consists of the portion above mentioned, less that portion between Palmer Junction and Meeker, together with a line extending southerly from Tacoma to Kalama, westerly from Palmer Junction to Auburn, southerly from Palmer Junction to Meeker, and northerly from Auburn to Sumas, and Colorado street line in Seattle 2.77 miles, a total distance of 687.68 miles. The branch lines of said railway company as now operated consist of the Palouse & Lewiston branch, extending from Marshal Junction southerly to the Idaho state line, a distance of 84.4 miles; the Farmington branch, extending from Belmont to Farmington, a distance of 5.88 miles; the Genesee branch, extending from Pullman Junction southerly to the Idaho state line, a distance of 20.34 miles; the Washington & Columbia River branch, extending from Hunt's Junction easterly to Dayton, and a branch from Eureka Junction to Pleasant View, a branch from Mill Creek Junction to Tracey and a branch southerly from Hunt's Junction to the Oregon state line south, said Washington and Columbia River branch having a total mileage of 123.90 miles; the Sunnyside branch extending from Sunnyside Junction to Grand View, a distance of 25.15 miles; the Roslyn branch, extending from Clealum to Roslyn, a distance of 5.40 miles; the Buckley line, extending from Palmer Junction to Meeker, a distance of 33.57 miles; the Green River branch, extending from Kanaskat to "End of Track," a distance of 14.79 miles; the Burnett branch extending from Cascade Junction to Pittsburg, a distance of 3.53 miles; the Wilkeson branch, extending from Cascade Junction to Wilkeson and Fairfax, a distance of 16.62 miles; the Crocker branch, extending from Crocker to Windgate, a distance of 5.44 miles; the Orting branch, extending from Orting to Puyallup, a distance of 7.60 miles; the Snoqualmie branch, extending from Snoqualmie to Sallal, a distance of 39.19 miles; the Everett branch, extending from Snohomish to Everett, a distance of 11.41 miles; the Tacoma Tide Flat branch, 1.06 miles; the Darrington branch, extending from Arlington to Darrington, a distance of 28.08 miles; the Monte Cristo branch, extending from Hartford to Monte Cristo, a distance of 42.12 miles; the Bellingham branch, extending from Wickersham to Bellingham, a distance of 22.74 miles; the Seattle Belt Line branch, extending from Woodinville to Black River Junction, a distance of 24.04 miles; the Olympia branch, extending from Lake View to Centralia, a dis-

tance of 56.43 miles; the Grays Harbor branch; extending from Gate to Ocosta, a distance of 53.04 miles; the Elma branch, extending from Elma to Simpson, a distance of 9.99 miles; the Peninsular branch, extending from Aberdeen Junction to Moclips, a distance of 34.68 miles; the Cosmopolis branch, extending from Cosmopolis Junction to Cosmopolis, a distance of 1.81 miles; the South Bend branch, extending from Chehalis to South Bend, a distance of 56.68 miles; the Vancouver branch, extending from Kalama to Vancouver, a distance of 29.81 miles; the Yacolt branch, extending from Vancouver to Yacolt, a distance of 27.30 miles; and the Spokane & Seattle Railway branch, extending from Davenport to Denny's, a distance of 20 miles.

That in addition to the branch lines above described, the Northern Pacific Railway Company operates under a lease as hereinafter more fully set out, as part of its system, the line known as the Washington Central branch, extending from Cheney to Adrian, a distance of 130.63 miles, and also operates under a lease, as hereinafter particularly described, the two branches known as the Port Townsend Southern, extending from Tenino to Olympia, a distance of 15 miles, and from Port Townsend to Quilcene, a distance of 26.20 miles; making a total branch line owned and operated by the Northern Pacific Railway Company of 673.95 miles; spurs from main line aggregating 69.27 miles, and branch line spurs aggregating 27.89 miles, making a total mileage, including branches and spurs, of 811.11 miles, and mileage operated under lease of 130.63 miles.

#### No. 4.

That that portion of the main line of the Northern Pacific Railway Company extending from the Washington-Idaho boundary near Newman Lake to Ainsworth, Washington, was constructed by the Northern Pacific Railroad Company, between the years 1879 and 1882, and was a portion of the Pend d'Oreille Division extending from Ainsworth easterly through Washington to Sandpoint, Idaho, a distance of 225 miles, 167.5 miles of which are in the state of Washington; the total cost, in cash, of such division to the time the same was turned over to the operating department, was the sum of \$5,419,994.78.

That there is charged to such division, in addition to the sum last above mentioned, the sum of \$1,839,400 as discount on bonds, making a total charge to such division, as shown by the accounting records, of \$7,259,394.78, and that the cost of that portion of the Pend d'Oreille Division in Washington, exclusive of betterments and improvements, was the sum of \$5,406,102.67.

That that portion of the main line extending from Ainsworth to Wallula, a distance of 12 miles, known as the Columbia River division, was built by the Northern Pacific Railroad Company, and cost cash, exclusive of sums spent after the same was turned over to the operating department, and charged to betterments and improvements, the sum of \$231,112.97.

That the bridge across the river at Ainsworth was constructed by the Northern Pacific Railroad Company and cost \$1,090,218.31.

That after the lines, in this paragraph mentioned, were turned over to the operating department of the Northern Pacific Railroad Company and down to the first day of September, 1896, there was expended on such division, that is to say that portion of the line from the Idaho boundary to Wallula, for betterments and improvements, the sum of \$449,893.41, making a total cost to the Northern Pacific Railroad Company, including discount, down to the first day of September, 1896, of the sum of \$7,177,327.36.

That since said last mentioned date, to-wit, September 1st, 1896, the betterments and improvements on the division herein described, have been charged upon the books of the Railway Company to the Idaho division, said Idaho division in Washington extending from the boundary line between Idaho and Washington to Ellensburg, and has not been otherwise apportioned, the amount expended on such operating division in betterments and improvements is hereinafter set out.

No. 5.

That that portion of the line of the Northern Pacific Railway company extending westerly from Pasco to Tacoma and northerly from Meeker to Stuck Junction, was constructed between the years 1881 and 1887.

That that portion between Tacoma and Wilkeson was constructed between 1881 and 1883. The construction work on the balance of said line being principally performed between the years 1885 and 1887, said portion being known at the time as the Cascade division.

That the total cost of said division, exclusive of improvements, charged to betterments and improvements was the sum of \$9,836,329.16, and in addition thereto the bridge at Kennewick crossing the Columbia River, cost the sum of \$477,935.22.

That since turning said division over to the operating department and up to the first day of September, 1896, there was expended in betterments and improvements and charged to betterments and improvements, the sum of \$311,034.36, making a total cost, including said bridge, down to the first day of September, 1896, of \$10,625,298.74. Since said first day of September, 1896, betterments and improvements on such division have been charged, that portion between Pasco and Ellensburg to the Idaho division, as above described, and that portion between Ellensburg and Tacoma to the Pacific division hereinafter referred to, and such betterments and improvements have not been by said railway company otherwise apportioned. The amount expended on such divisions in betterments and improvements is hereinafter set out.

No. 6.

That that portion of the main line of the Northern Pacific Railway Company, extending from Palmer Junction westerly to Auburn, a distance of 21.76 miles, was constructed by the Northern Pacific Railway



Company between the years 1899 and 1903. That the total cost of said line, excluding the betterments and improvements thereon, was the sum of \$824,833.42.

That since turning the said line over to the operating department the betterments and improvements from such line have been charged to the Pacific division herein before referred to. The amount expended on such division on betterments and improvements is hereinafter set out .

No. 7.

That that portion of the main line extending from Tacoma to Kalama was constructed prior to September 29th, 1875, by the Northern Pacific Railroad Company, and has cost, including a charge for interest and discount amounting to the sum of \$186,823.17, and excluding all sums expended for improvements and betterments, charged to betterments and improvements, the sum of \$5,346,367.69.

That between the dates when said division between Tacoma and Kalama was turned over to the operating department, in 1875, and the 16th day of September, 1896, there was expended thereon, charged to improvements and betterments, the sum of \$1,017,816.95. That since September, 1896, the expenses for betterments and improvement on said portion of the line, have been by said company charged to the "Pacific Division," which included all the line of the Northern Pacific Railway Company west of Ellensburg and south of Argo, and has not been, otherwise apportioned, the amount expended on such Pacific division in betterments and improvements is hereinafter set out.

No. 8.

That that portion of the line of the Northern Pacific Railway Company extending from Meeker northerly to Stuck Junction was constructed by the Northern Pacific and Puget Sound Shore Railroad Company about the year 1884, and cost such Northern Pacific and Puget Sound Shore Railroad Company the sum of \$258,119.90, exclusive of betterments and improvements placed thereon, the cost of such line, however, is included in the original cost of the line from Pasco to Tacoma, and Meeker to Stuck Junction hereinbefore set out.

That said portion of the main line of the Northern Pacific Railroad Company extending from Stuck Junction to Seattle was constructed by the Puget Sound Shore Railroad Company at a cost of \$692,906.15, exclusive of betterments and improvements placed thereon subsequent to March 31st, 1884.

That between the 31st day of March, 1884, and September 16th, 1896, there was expended for betterments and improvements on the said line between Meeker and Seattle, the sum of \$162,217.15.

That subsequent to 1900 a new line was constructed between Seattle and Argo, at a cost of \$248,573.74, and a double track laid from Auburn to Seattle at a cost of \$290,352.90.

That improvements and betterments placed on said track from

Meeker to Argo, subsequent to September 16th, 1896, have been charged to the said Pacific division and improvements and betterments on that portion between Argo and Seattle have been, since said last mentioned date, charged to the Seattle division, which are hereinafter set out.

No. 9.

That that portion of the main line extending from Seattle to Sumas was constructed by the Seattle Lake Shore and Eastern Railway Company between the years 1888 and 1891, and said last named company under the name of the Spokane and Seattle, also constructed the line of road from Spokane to Davenport and constructed what is known as the Snoqualmie branch, extending from Woodinville Junction to North Bend. That said Seattle Lake Shore and Eastern Railway Company was organized with a capital stock of \$4,150,000 par value. That it issued its mortgage bonds on the lines herein described in the sum of \$5,675,000.00.

That the Northern Pacific Railroad Company became the purchaser of \$3,162,650 par value of the said capital stock, paying therefor, as shown by their accounting records, \$1,742,003.71, and said Northern Pacific Railroad Company became the purchaser of \$5,670,000 of said mortgage bond issue, paying therefor the sum of \$4,433,713.21. That thereafter the Seattle Lake Shore and Eastern Railway Company defaulted in the payment of interest and a receiver was appointed and the company was reorganized, the Northern Pacific Railroad Company guaranteeing the payment of interest on the bonds at the rate of 4 per cent. per annum and the Northern Pacific Railroad Company became the purchaser at the foreclosure sale of the property of the Seattle Lake Shore & Eastern Railway Company, subject to the payment of the interest on the bonds as aforesaid. That said \$5,670,000 worth of bonds, and said \$3,162,650 par value of stock is now held by the Northern Pacific Railway Company as a muniment of title, the title of the Northern Pacific Railway Company to said property being subject to \$5,000 worth of bonds outstanding, bearing interest at 4 per cent. per annum.

No. 10.

That that portion of the branch line of the Northern Pacific Railway Company, known as the Lake Washington belt line, extending from Woodinville Junction to Black River Junction, was originally constructed by the Northern Pacific & Puget Sound Shore Railroad Company, about the year 1891, but owing to engineering difficulties being encountered, a continuous line was not constructed.

That said Northern Pacific & Puget Sound Shore Railroad Company expended thereon the sum of \$590,760.96.

That subsequently said road was practically abandoned, the rails being removed, and said Northern Pacific & Puget Sound Railway Company allowed salvage from rails, etc., amounting to \$45,833.15, leaving a balance of \$544,927.81 original cost. That subsequent to the

year 1901, the Northern Pacific Railway Company constructed a line between Kirkland Junction and Black River Junction at a cost, exclusive of betterments and improvements charged to the Seattle division, of \$576,878.21. That said Northern Pacific & Puget Sound Shore Railroad Company was a subsidiary corporation of the Northern Pacific Railroad Company.

No. 11.

That that portion of the branch line of the Northern Pacific Railway Company known as the Palouse & Lewiston branch, extending southerly from Marshall Junction to the Idaho line, consisting of 110.26 miles, was constructed by the Spokane & Palouse Railroad Company, a subsidiary corporation to the Northern Pacific Railroad Company. The said Spokane & Palouse Railroad Company was organized with a capital stock of \$1,000,000.00, par value. It constructed said line from moneys loaned or advanced to it by the Northern Pacific Railroad Company, at a total cost, up to the time the construction account was closed, and the line turned over to the Northern Pacific Railroad Company, of \$1,729,116.77, and the same cost the Northern Pacific Railroad Company, as shown by its accounting records, down to the 16th day of September, 1896, the sum of \$2,062,416.68. That betterments and improvements on said division subsequent to the 16th day of September, 1896, have been charged to the Idaho division and are not otherwise apportioned and are herein after referred to. That as before stated the line herein mentioned was constructed by the Spokane & Palouse Railroad Company with moneys advanced or loaned to it by the Northern Pacific Railroad Company; that in the latter part of the year 1887, the Spokane & Palouse Railroad Company issued its first mortgage bonds in the sum of \$1,766,000.00 and delivered the same to the Northern Pacific Railroad Company between such date and June 30, 1888. That the Northern Pacific Railroad Company disposed of such bonds to the public, such bonds bringing a premium in excess of \$500.00. That upon the reorganization and acquisition of the Northern Pacific Railroad Company by the Northern Pacific Railway Company in 1896, said bond issue was surrendered by the holders thereof to the Northern Pacific Railway Company and new bonds of the reorganized company issued to such holders in accordance with the terms of said agreement.

No. 12.

That that portion of the branch line operated by the Northern Pacific Railway Company, extending from Cheney to Coulee City, a distance of 108 miles, was built by the Central Washington Railroad Company, a subsidiary corporation of the Northern Pacific Railroad Company, between the years 1890 and 1893, at a cost of \$1,958,195.06.

That the Northern Pacific Railroad Company advanced to the Central Washington Railroad Company moneys with which to construct said road.

That the Central Washington Railroad Company issued its bonds in the sum of \$2,150,000, and delivered the same to the Northern Pacific Railroad Company, and the Northern Pacific Railroad Company disposed of \$1,750,000 of said bond to the public, realizing 92.5 per cent. on the face value thereof, retaining in its treasury \$400,000 worth of such bonds. That in addition to the sum of \$1,958,195.06, it has spent for improvements \$4,073.63, making a total cost as shown by the accounting records to the year 1896 of \$1,902,268.69. That such portion of the branch line extending from Coulee Junction to Adrian was constructed by the Northern Pacific Railway Company about the year 1901 to 1903, at a cost of \$512,653.94.

That the betterments and improvements placed on that portion of the line from Cheney to Coulee City since 1896 and the betterments and improvements on the remainder of the said line since the same was turned over to the operating department, have been charged to the Idaho division, and have not been otherwise apportioned, and said expenditure is hereinafter set out.

**No. 13.**

That that portion of the branch line of the Northern Pacific Railway Company, extending from Sunnyside Junction to Grandview, was constructed by the Northern Pacific Railway Company about the year 1903, and the same cost, from Sunnyside Junction to Sunnyside, the sum of \$182,539.57, and that portion of the line from Sunnyside to Grandview has been charged to betterments and improvements on the Idaho division, which betterments and improvements are hereinafter set out.

**No. 14.**

That that portion of the branch line of the Northern Pacific Railway Company extending from Cle Elum to Ronald and known as the Rosslyn branch, being 5.41 miles in length, was constructed by the Cle Elum Railroad Company, about the year 1890, at a cost to the Cle Elum Railroad Company of \$216,719.42, exclusive of betterments and improvements, charged to betterments and improvements, between the time when the same was turned over to the operating department, and the date of the re-organization of the Northern Pacific Railway Company in 1896, which improvements and betterments amounted to the sum of \$17,657.41, making a total cost down to September, 1896, of the sum of \$234,376.83, and that all improvements and betterments since that date have been charged to the Pacific division, which betterments and improvements are hereinafter set out.

That the Cle Elum Railroad Company is a subsidiary corporation of the Northern Pacific Railroad Company, having a capital stock of \$300,000, and having issued its bonds, which were turned over to the Northern Pacific Railroad Company in the sum of \$68,000.

That on the 1st day of May, 1886, and prior to the construction of said road the Northern Pacific Railroad Company secured a lease

for said road for the term of 999 years, and upon the reorganization of said Company in September, 1896, the Northern Pacific Railway Company became the owner of said property in the reorganization.

No. 15.

That that portion of the branch line of the Northern Pacific Railway Company extending from Kanaskat to "End of Track," consisting of 14.79 miles, was constructed by the Green River & Northern Railroad Company, between the years 1888 and 1890. That said Green River & Northern Railroad Company was a subsidiary corporation of the Northern Pacific Railroad Company, having a capital stock of \$424,000.00, cash value. That said railroad cost the Green River & Northern Railroad Company and the Northern Pacific Railroad Company down to September, 1896, including betterments and improvements the sum of \$424,284.09, and on or about the year 1901 the Northern Pacific Railway Company built an addition to the said line at an expenditure of \$85,146.64. That betterments and improvements placed upon said property since 1896, other than the amount expended for such extension, have been charged to the Pacific division, and are not otherwise apportioned, which betterments and improvements on said Pacific division are hereinafter set out. That the said road was built with moneys advanced to the Green River & Northern Railroad Company by the Northern Pacific Railroad Company and upon completion the said Green River & Northern Railroad Company issued its mortgage bonds on said road for the sum of \$375,000.00 and delivered the same to the Northern Pacific Railroad Company and the same were disposed of by the Northern Pacific Railroad Company to the public. That upon the reorganization of the said company in 1896, the holders of said bonds surrendered the same to the reorganized company and accepted in lieu thereof the bonds of the reorganized company. The capital stock of the said Green River & Northern Railroad Company, amounting to \$424,000.00, was turned over to the Northern Pacific Railway Company and is held by it as a muniment of title.

No. 16.

That those portions of the branch line of the Northern Pacific Railway Company, extending from Burnett to Pittsburg, a distance of 3.53 miles, and that portion known as the Wilkenson branch, extending from Cascade Junction to Carbonado, a distance of 7.51 miles, that portion of said line last mentioned extending to Wilken-son, a distance of 1.98 miles; that portion of the line extending from Carbonado to Fairfax, a distance of 7.12 miles, and that portion of the line known as the Crocker branch, extending from Crocker to Carbonado, and that portion of the line known as the Orting branch, extending from Orting to "End of Track," at the Puyallup river, a distance of 7.64 miles, cost, including betterments and improvements, down to September, 1896, the sum of \$750,000.00. That since the 16th day of September, 1896, betterments and improvements on said line

have been charged to the Pacific division and which betterments and improvements are hereinafter set out.

That the Northern Pacific & Cascade Railroad Company was organized with a capital stock of \$225,000.00, and was a subsidiary corporation of the Northern Pacific Railroad Company; that the Northern Pacific Railroad Company advanced the money to build said lines; that said Northern Pacific & Cascade Railroad Company owned the line extending from Tacoma to Wilkeson and that it built the Burnett branch, the Crocker branch, the Fairfax branch, the branch extending from Orting to the Puyallup River and the branch extending from Crocker to Doty; that it issued its mortgage bonds in the sum of \$388,000.00, and turned the same over to the Northern Pacific Railroad Company and the Northern Pacific Railroad Company disposed of said bonds. Thereafter in 1889 the Northern Pacific Railroad Company delivered its consolidated bonds to the amount of \$208,000.00, and in 1893 to the amount of \$180,000.00, to the holders of the bonds of the Northern Pacific & Cascade Railroad Company and received said bonds of \$388,000.00, and they are now owned by the Northern Pacific Railroad Company and held by the trustee as a muniment of title. Thereafter and upon the reorganization of the said Northern Pacific Railway Company in 1896, the consolidated mortgage bonds were surrendered to the reorganized company and the reorganization company issued its bonds in exchange therefor. All bonds surrendered to the reorganized company as in this finding stated and for which the reorganized company delivered in exchange therefor, the bonds of the reorganized company were exchanged as follows: for each \$1,000.00 worth of bonds the Northern Pacific Railway Company delivered \$665.00 worth of the Northern Pacific Railway Company general line of 3 per cent. bonds and \$625.00 of preferred stock of the Northern Pacific Railway Company, making a stock and bond exchange of \$1,290.00 stock and bonds for each \$1,000.00 stock and bonds so taken up.

No. 17.

That those portions of the branch lines known as the Olympia branch, extending from Lakeview to Black River, near Gate, the Gray's Harbor branch, extending from Centralia to Ocosta, the Cosmopolis branch, extending from Cosmopolis Junction to Cosmopolis, the South Bend branch, extending from Chehalis to South Bend, consisting of 167.83 miles, were constructed by the United Railroads of Washington, a subsidiary corporation to the Northern Pacific Railroad Company, and cost, including betterments and improvements down to the month of September, 1896, the sum of \$4,946,513.59. That since said date the betterments and improvements have been charged to the Pacific division and are not otherwise apportioned, which charge is hereinafter set out.

That on the branch lines extending from Aberdeen Junction to Moclips, that portion between Aberdeen Junction and Hoquiam was

built by the Northern Pacific Railroad Company and charged to betterments and improvements on the Pacific division, and is not otherwise apportioned.

That that portion extending from Hoquiam to Moclips was built by the Northern Pacific Railway Company and cost the Northern Pacific Railway Company, up to the time the same was turned over to the operating department, the sum of \$762,187.22.

That that portion of the branch line extending from Elma to Simpson was purchased by the Northern Pacific Railway Company after construction, and the amount expended for the same and in betterments is charged to betterments and improvements on the Pacific division, and is not otherwise apportioned, but is hereinafter set out.

That the United Railroads of Washington was organized with a capital stock of \$4,961,000.00; that the moneys for the construction of said road were advanced by the Northern Pacific Railroad Company from its treasury to the United Railroads of Washington; that the United Railroads of Washington issued its mortgage bonds against the said property for the sum of \$5,298,000.00 and delivered the same to the Northern Pacific Railroad Company and the Northern Pacific Railroad Company disposed of said bonds to the public; that upon the reorganization in 1896, the bonds of the United Railroads of Washington were delivered to the reorganized company and the bonds and preferred stock of the reorganized company were issued and delivered to such bond holders in exchange therefor, on the basis of \$665.00 of general lien 3 per cent. bonds and \$625.00 in preferred stock for each \$1,000.00 worth of such United Railroads of Washington bonds, and the capital stock of said United Railroads of Washington, and such bonds of said company are now held by the Northern Pacific Railroad Company as a muniment of title.

#### No. 18.

That those portions of the branch line of the Northern Pacific Railway Company extending from Kalama to Vancouver; from Vancouver to Yacolt, was constructed by the Washington & Oregon Railroad Company and the Portland, Vancouver & Yakima Railroad Company, which companies were merged and were afterwards known as the Washington Railway & Navigation Company. The Washington Railway & Navigation Company being a subsidiary corporation of the Northern Pacific Railroad Company, and said branch lines cost, down to the time the same were turned over to the operating department of the Northern Pacific Railway Company, according to the accounting records of the Northern Pacific Railway Company, the sum of \$2,103,663.83.

#### No. 19.

That that portion of the branch lines of the Northern Pacific Railway Company, extending from Everett to Snohomish, was constructed by the Everett & Monte Cristo Railway Company and was sold by

the said company in the year 1901, to the Northern Pacific Railway Company for the sum of \$750,000, and that portion of the branch line extending from Hartford Junction to Monte Cristo was purchased from the Everett & Monte Cristo Railway Company in the year 1903 by the Northern Pacific Railway Company for the sum of \$512,412.89. That betterments and improvements on the two branches last hereinbefore described, since the said lines were purchased by the Northern Pacific Railway Company, have been charged to the Seattle division, which betterments and improvements are hereinafter set out.

**No. 20.**

That that portion of the branch line extending from Arlington to Darrington was constructed by the Northern Pacific Railway Company about the year 1901, and cost, down to the time the same was turned over to the operating department, the sum of \$546,684.93, and that betterments and improvements on said line, since the same was turned over to the operating department, has been charged to the Seattle division and not otherwise apportioned, which betterments and improvements are hereinafter set out.

**No. 21.**

That that portion of the branch line extending from Wickersham to Bellingham was constructed by the Bellingham Bay & Eastern Railroad Company and was purchased by the Northern Pacific Railway Company in the year 1906, and cost the Northern Pacific Railway Company the sum of \$632,400.11.

**No. 22.**

That at the time of the commencement of this action the Washington & Columbia River Railway Company was a separate corporation, the capital stock being owned by the Northern Pacific Railway Company. That since said time the said line has been taken over by the Northern Pacific Railway Company and the same is now owned by it and operated as a part of its system.

**No. 23.**

That the branch line of the Northern Pacific Railway Company known as the Washington & Columbia River Railroad Company, consists of a line extending from Hunt's Junction to Eureka Junction, and Pleasant View, from Eureka Junction through Walla Walla to Dayton, and to Tracy, and a line extending southerly from Hunt's Junction to the Washington-Oregon Boundary, and from Hunt's Junction to Wallula, consisting of 123.91 miles.

The said road cost the Washington & Columbia River Railway Company, exclusive of right-of-way and real estate and any allowance for legal and general expense, and discount on bonds, and exclusive of equipment, the sum of \$2,156,079.25.

That the accounting records of the Northern Pacific Railway Com-



pany show said line to have cost, down to July 1st, 1907, the sum of \$5,029,887.14, including equipment and real estate.

**No. 24.**

That that portion of the branch line operated by the Northern Pacific Railway Company, and known as the Port Townsend Southern Railway Company, was constructed by and is still owned by the Port Townsend Southern Railway Company, said Port Townsend Southern Railway Company is a subsidiary corporation of the Northern Pacific Railway Company, and the capital stock of said Port Townsend Southern Railway Company being owned by the Northwestern Improvement Company, a subsidiary corporation of the Northern Pacific Railway Company.

That said Port Townsend Southern Railway Company is in two sections, one section thereof extending from Olympia to Tenino, being 15 miles in length, and the other section extending from Port Townsend to Quillcene, and being 26.2 miles in length.

That the Commission has been unable to find any accounting records showing the cost of construction on such branch line, but based upon an inspection and estimate it is estimated that the same cost the Port Townsend Southern Railway Company, exclusive of its equipment, the sum of \$642,774.37.

**No. 25.**

That since September, 1896, the said main and branch lines herein before set out have been improved by bank widening, bridge filling, erection of structures and general improvements to the lines, which improvements as hereinbefore stated, have been charged to the different operating divisions along said line.

That the improvements and betterments so charged on the Idaho division in the state of Washington, amount to the sum of \$1,771,325.76.

That the improvements and betterments charged to the Pacific division since September, 1896, amount to the sum of \$3,540,673.88.

That the improvements and betterments charged to the Seattle division since September, 1896, amount to the sum of \$1,010,079.29.

Making a total improvements and betterments since 1896 of the sum of \$6,322,078.93.

**No. 26.**

That in addition to the amounts herein before set out, the Northern Pacific Railway Company has expended for the purchase of real estate, right-of-ways and terminal grounds, and filling and improving the same, in the city of Tacoma, \$660,558.15; for the purchase of real estate at Yardley, \$20,105.16; for the purchase of tide lands and terminals, grading and constructing side tracks, construction of Seattle tunnel and station not hereinbefore set out or otherwise apportioned, \$3,704,068.25; for the purchase of the Bayside line in Everett and expenses on Everett Dock property, \$19,898.79; for the purchase of real estate in Fairhaven, \$5,005.90; for the purchase of the San Fran-

cisco Railway & Navigation Company's line in Seattle, \$482,121.42, and the records show a further expenditure undistributed of \$236,305.63.

And for purchasing right-of-way during the years 1906 and 1907, for widening the line in Tacoma from Old Town to the Smelter, \$320,096.00.

No. 27.

That the accounting records of the Northern Pacific Railway Company show all sums that have been expended on the entire system irrespective of whether the same is now in existence or not, for equipment, without allowing credit for destroyed or worn out equipment, and such total cost has been distributed to the state of Washington on a locomotive and car mileage basis, and on such distribution the records show there is chargeable to the state of Washington for equipment, the sum of \$11,480,936.24.

No. 28.

That the accounting records of the Northern Pacific Railway Company show that there was paid for discounts, commissions, etc., after the year 1875, the sum of \$18,684,005.16; and there was charged on such accounting records for discount and commission, in addition to the sum above mentioned, directly to the lines in the state of Washington, the sum of \$2,100,275.49, which sum of \$18,684,005.16 being distributed to the state of Washington based on the ratio of the construction expenditures in Washington to the total capital equipment and expenditures of the system to August, 1896, amount to a total sum of \$6,265,982.73, chargeable to the lines in the state of Washington, which sum includes said sum of \$2,100,275.49.

No. 29.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles, culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. on the items mentioned in connection with engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

That a reasonable and fair allowance for interest during construction would be seven and one-half per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment, legal and general expenses, costs of engineering and the value of the right-of-way and terminals.

**No. 30.**

That in order to reproduce the lines hereinbefore mentioned as owned and operated by the Northern Pacific Railway Company, including the Washington & Columbia River Railway Company and the Port Townsend Southern Railway Company in the condition in which the same were on the 30th day of June, 1906, considering the improvements and structures as new, it would be necessary to expend for engineering, superintendence, clearing, grubbing, grading, construction of tunnels, construction of bridges, trestles, culverts, laying of ties and rails, track fastenings, frogs and switches, ballast, track laying, surfacing, fencing, right-of-way, snow fences, sheds, crossings, cattle guards and signs, telegraph lines, station buildings and fixtures, engine houses, turn tables, engine and car shops, shop machinery and tools, water stations, fuel stations, stock yards, interlocking and signal apparatus, docks and wharves, coal bunkers and ferries, and inclines, section and tool houses, miscellaneous structures, legal and general expenses, interest during construction and for stores on hand, but not including right-of-way, terminal grounds and equipment, the sum of \$61,680,340.75.

**No. 31.**

That of the bridges, trestles and culverts along said line, wooden bridges would depreciate materially, while iron bridges but slightly, that the present value of the bridges, trestles and culverts, allowing for the depreciation, is approximately 84.7 per cent. of their value new.

That the ties would have depreciated so that their present value is 50 per cent. of their value new.

That the rails, track fastenings, frogs and switches have depreciated so that the present value is approximately 80 per cent of their value new.

That the fencings, crossings, cattle guards and signs along the right-of-way have depreciated so that the present value is approximately 55 per cent. of their value new.

That the snow protection has depreciated so that its present value is approximately 72 per cent. of its value new.

That the present value of the telegraph lines is approximately 75 per cent. of its value new.

That the present value of the station buildings and fixtures is approximately 81.5 per cent of their value new.

That the present value of the engine houses and turn tables is approximately 68.2 per cent of their value new.

That the present value of the engine and car shops is approximately 66.4 per cent of their value new. That the present value of the shop machinery and tools is approximately 65 per cent. of their value new.

That the present value of the water stations is approximately 65 per cent. of their value new.

- That the present value of the fuel stations is approximately 77.5 per cent. of their value new.

That the present value of the stock yards is 45.5 per cent of their value new.

That the present value of the interlocking apparatus is 85 per cent. of their value new.

That the present value of the docks and wharves and coal bunkers is 75 per cent of their value new.

That the present value of the section and tool houses and miscellaneous structures is approximately 61 per cent. of their value new. That the cash market value of the said property on the 30th day of June, 1906, not including real estate, terminal grounds and equipment, based solely on the cost of reproduction, was the sum of \$55,475,-827.25.

#### No. 32.

That the locomotives assigned to and used upon the lines of the Northern Pacific Railway Company, in the state of Washington, cost new, the sum of \$3,689,522.18.

That since the purchase of said locomotives, locomotives have advanced in price, and it would cost to reproduce the same new the sum of \$4,242,950.51.

The said locomotives have been in use an average of ten years. That there would be an annual depreciation on such locomotives, making due allowance for salvage while in use of approximately 3.6 per cent. That the present cash market value of said locomotives is the sum of \$2,715,488.33.

That the original cost of the passenger coaches and equipment of the lines owned and operated by the Northern Pacific Railway Company in the state of Washington, is the sum of \$1,598,184.34.

That it would cost to reproduce said passenger equipment new as of the 30th day of June, 1906, the sum of \$1,837,911.98.

That such equipment has been in use an average of 11.1 years, with an annual depreciation of approximately 3.6 per cent, and that the present cash market value of such passenger equipment is the sum of \$1,102,766.43.

That the freight equipment properly assignable to the state of Washington, used by the Northern Pacific Railway Company, cost \$5,665,563.95. That it would cost to reproduce the same new, \$8,040,-254.90.

That such freight equipment has been in use an average of 8.2 years, with an annual depreciation of approximately 3.6 per cent., and that the present depreciated value of such freight equipment is the sum of \$5,668,379.72.

That the work and miscellaneous equipment properly assignable and chargeable to the state of Washington, cost originally the sum of \$524,850.

That it would cost to reproduce the same new the sum of \$603,-

578.55. That the same has been in use an average of eight years, with an annual depreciation of approximately 3.6 per cent., and the present market value thereof is approximately the sum of \$425,522.88, making a total present cash value of all equipment properly chargeable and assignable to the state of Washington, used by the Northern Pacific Railway Company on any and all of the lines in the state operated by it, of the sum of \$9,677,946.87.

**No. 33.**

That in order to reproduce the right-of-way used for railroad purposes it is necessary to pay, in addition to the market value of the land taken, prices ranging from such market value to 500 per cent. in excess thereof, to cover consequential damages to the land not taken and because of the necessities of the railway company to have the particular land sought.

**No. 34.**

That it would cost to reproduce the right-of-way and terminals of the Northern Pacific Railway Company, used by it for railroad purposes and such as will be necessary for its use in the immediate future, the sum of \$32,862,872.00, which sum is divided along the line of the Northern Pacific Railway Company as hereinafter set out.

That the Northern Pacific Railway Company received a grant from the United States for right-of-way purposes across public domain, and lands owned by the United States, 400 feet in width, along its main line. That at the time of such grant and of the construction of the main line large portions of the territory along the main line of the said railroad was public lands belonging to the United States, and the said Northern Pacific Railway Company thus secured a strip for right-of-way purposes 400 feet in width. That such strip 400 feet in width is not used by the said railroad company for right-of-way purposes nor is the same necessary for the use of said road or such as will be anticipated in the immediate future for railroad purposes, and that a strip of land 50 feet in width on either side of the center line of its main track, excepting through the towns and cities, is ample for the needs of said railroad company and is all the land that said company will use for railroad purposes, and that through the incorporated towns and cities the full width owned by the railroad company for right-of-way purposes has been allowed.

That in order to reproduce the right-of-way necessary for the use of the Northern Pacific Railway Company, along its main line, in the county of Spokane, excluding therefrom the property used by it in the corporate limits of the city of Spokane, would cost the sum of \$102,835.00.

That in order to reproduce the property owned and used by the Northern Pacific Railway Company along its main line in the county of Lincoln, and such as will be necessary for its immediate future use, would cost \$65,419.00.

That to reproduce the real estate and right-of-way along the main line of the said railroad company in the county of Adams, would cost the sum of \$147,099.00.

That to reproduce the real estate and right-of-way along the main line of the said railroad in Franklin county, would cost the sum of \$62,720.00.

That to reproduce the right-of-way and terminals along the main line of the said railroad in Benton county, would cost the sum of \$136,530.00.

That to reproduce the right-of-way and terminals of said railroad along its main line in Yakima county, would cost the sum of \$910,854.00.

That to reproduce the right-of-way and terminals along the main line of said railroad in Kittitas county, would cost the sum of \$179,921.00.

That to reproduce the right-of-way along the main line of said road from the boundary line between Kittitas and King county to Auburn via. Palmer Cut Off, from the southern line of King county to the city limits of Seattle, and from the northern boundary line of the city of Seattle to the north line of King county, would cost the sum of \$734,114.00.

That to reproduce the right-of-way along the main line in Snohomish county would cost the sum of \$183,200.00.

That to reproduce the right-of-way along the main line in Skagit county would cost the sum of \$145,281.00.

That to reproduce the right-of-way along the main line in Whatcom county would cost the sum of \$37,906.00.

That to reproduce the right-of-way and terminals along the main line in Pierce county, exclusive of the property in the city of Tacoma, would cost the sum of \$241,848.00.

That to reproduce the right-of-way and terminals in the county of Thurston, along the main line, would cost \$25,061.00.

That to reproduce the right-of-way and terminals along the main line in Lewis county, would cost \$233,834.00.

That to reproduce the right-of-way and terminals along the main line in the county of Cowlitz, would cost \$314,600.00.

#### No. 35.

That to reproduce the right-of-way and terminals along the branch line in Spokane county, extending from Marshall Junction to the Spokane-Whitman county boundary line, and northerly from Cheney to Spokane-Lincoln county boundary line, would cost the sum of \$68,724.00.

That to reproduce the right-of-way and terminals along the branch line in Lincoln county would cost \$138,065.00.

That to reproduce the right-of-way along the branch lines in the county of Douglas, would cost \$9,871.00.

That to reproduce the right-of-way along the branch lines in Franklin county would cost the sum of \$7,738.00.

That to reproduce the right-of-way along the branch lines of the Northern Pacific Railway Company in Walla Walla county, including the Washington & Columbia River Railway Company, would cost the sum of \$270,060.00.

That to reproduce the right-of-way along the branch lines in Columbia county, would cost the sum of \$19,816.00.

That to reproduce the right-of-way along the branch lines in Yakima county, would cost the sum of \$33,014.00.

That to reproduce the right-of-way along the branch lines in Kittitas county, would cost the sum of \$9,348.00.

That to reproduce the right-of-way along the branch lines in Whitman county, would cost the sum of \$315.032.00.

That to reproduce the right-of-way and terminals along the branch line in King county, excluding all property in the city of Seattle, would cost the sum of \$268,668.00.

That to reproduce the right-of-way and terminals along the branch lines in Snohomish county, excluding therefrom all property in the city of Everett, the sum of \$170,869.00.

That to reproduce the right-of-way and terminals along the branch lines in Whatcom county, ~~including~~ all property and terminals in the city of Bellingham, would cost \$260,792.00.

That to reproduce the right-of-way and terminals along the branch lines in Pierce county, would cost the sum of \$248,397.00.

That to reproduce the right-of-way and terminals along the branch lines in Thurston county, would cost \$68,350.00.

That to reproduce the right-of-way and terminals along the branch lines in Chehalis county, would cost \$462,128.00.

That to reproduce the right-of-way and terminals along the branch lines in Lewis county, would cost the sum of \$91,450.00.

That to reproduce the right-of-way and terminals along the branch lines in Pacific county, would cost \$97,628.00.

That to reproduce the right-of-way and terminals along the branch lines in Clarke county, would cost \$178,773.00.

That that portion of the branch line known as the Port Townsend Southern Railway Company in Thurston county, would cost to reproduce new, the sum of \$17,506.00.

That to reproduce that part of the line known as the Port Townsend Southern Railway Company in Jefferson county, would cost the sum of \$41,812.00.

#### No. 36.

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company, used by it for railroad purposes in the city of Spokane, would cost \$5,306,465.00.

That in addition to the property owned by the Northern Pacific Railway Company in the city of Spokane, used by it and necessary to be used by it for railroad purposes, it owns the following described

real estate used by it for commercial purposes, not necessary for its use as railroad purposes, to-wit:—

Lots 1 to 5 inclusive in block 40; lots 1 to 6 inclusive in block 23; lots 1 to 6 inclusive in block 24; lots 1 to 6 inclusive in block 25; lots 1 to 3 inclusive in block 28; and a portion of the south half of blocks 12 to 21 inclusive in Railroad Addition to the city of Spokane, portions of said property being now leased by the Northern Pacific Railway Company to persons and individuals for commercial purposes, which property last above described is of the reasonable value of \$1,194,155.78.

No. 37.

That to reproduce the property owned by the Northern Pacific Railway Company in the city of Everett, used by it or necessary to be used by it for railroad purposes, would cost the sum of \$366,530.00.

No. 38.

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company, used by it for railroad purposes and such as it will need for such purposes in the immediate future, in the city of Tacoma, would cost the sum of \$7,638,006.00.

That in addition to the terminal grounds and right-of-way owned by the said company and included in the valuation above set out, in the city of Tacoma, the Northern Pacific Railway Company owns certain tide land property in the city of Tacoma which is filled and improved and which the said railway company claims to hold for railroad purposes, amounting to 6,503,490 square feet, and 617,500 square feet of tide lands not filled and improved, which the said railway company claims to hold for railroad purposes, but which is not at present used for such, or leased, which said property is shown in yellow on the map hereunto annexed, made a part of these findings and marked Exhibit D.

That in addition to the property above described, the said Northern Pacific Railway Company owns tide land block 51, which tide land block is colored on said tide land map in green, but which property is not now used nor is the same necessary to be used by the said railroad company for railroad purposes in the immediate future.

Said railroad company also owns lots 3 to 19 inclusive, in tide land block No. 62, which is shown upon said map in green, but which said property is not now used nor is the same necessary for the use of the said railroad company in the immediate future.

The said railroad company also owns the following described property, to-wit: Commencing at a point 297 feet northwesterly from the northeast corner of lot 1 in block 66 of Tacoma tide lands, thence northwesterly along the inner harbor line 500 feet more or less to an intersection with a line drawn parallel with the southerly end of what is known as the "Puget Sound Freight Sheds," as the same is now located, thence southwesterly along said last mentioned line 130 feet to a point, thence southeasterly 530 feet to a point 255 feet southwesterly from the place of beginning, and thence northeasterly



255 feet to the place of beginning, containing 100,387 square feet more or less, which said property is not now used nor is the same necessary for the use of said railroad company as operating property in the immediate future.

Said railroad company also owns a portion of tide land block 69, described as follows: Commencing at the southeast corner of said tide land block No. 69 of Tacoma tide lands, thence south 84 degrees 47 minutes twenty seconds, west 150 feet to a point, thence northwesterly 650 feet more or less to an intersection with the inner harbor line 750 feet northwesterly from the place of beginning, thence southeasterly 750 feet to the place of beginning, containing 52,500 square feet more or less, which said property is not now used nor is the same necessary to be used in the immediate future by said railroad company as operating property.

The said railroad company also owns a portion of tide land block 70 of Tacoma tide lands, described as follows: Commencing at a point on the inner harbor line between blocks 70 and 71, thence southwesterly 130 feet to a point, thence southeasterly 750 feet, more or less, to a point on the inner harbor line 820 feet southeasterly from the place of beginning, thence northwesterly 820 feet to the place of beginning, containing 50,700 square feet more or less, which said property is not now used nor is the same necessary to be used in the immediate future by said railroad company for operating purposes.

Said railroad company also owns a portion of tide land block No. 71 of Tacoma tide lands, described as follows: Beginning at the northwest corner of tide land block 71, Tacoma tide lands, thence southerly and at right angles to the inner harbor line 220 feet to a point, thence easterly and parallel with said inner harbor line 60 feet to a point, thence northerly 220 feet more or less to the inner harbor line, thence westerly along said inner harbor line to the place of beginning, containing 13,200 square feet, more or less, which said property is not now used nor is the same necessary for the use in the immediate future by the said railroad company for operating purposes.

Said company also owns the following described property, being portion of tide land block 40 of Tacoma tide lands, containing .91 acres, a portion of tide land block No. 50 of Tacoma tide lands, containing 5.49 acres, a portion of diagram No. 1 in section 4, township 20 north of range 3 east containing 3.46 acres, and a portion of diagram No. 1, section 4, township 20 north range 3 east W. M. containing 1.55 acres, particularly described as follows: All the land, upland and tide land, lying between the Northern Pacific right-of-way and the Wheeler Osgood waterway west of a line drawn north 27 degrees 26 minutes and 42 seconds west from a point on the northerly side of the Northern Pacific right-of-way, 930 feet more or less southwesterly from the meander line of lot 7, section 4, township 20, north of range 3 west, which said property is not now used nor is the same necessary to be used in the immediate future by said railroad for operating purposes.

The said railroad company also owns certain uplands in the city of Tacoma described as follows: Commencing at a point on Cliff avenue where a line drawn at right angles to the northerly end of Pacific avenue would intersect the easterly line of Cliff avenue, thence running northwesterly along the easterly side of Cliff avenue to an intersection with the boundary of the property known as the Tacoma High School property, thence northerly and northwesterly along the northern boundary of said Tacoma High School property to an intersection with the northeasterly limits of Cliff avenue, thence following along said boundary of Cliff avenue and such line extended to the south east corner of the Tacoma Mill Company's land as platted on said map, thence northerly along the east line of the Tacoma Mill Company's line 170 feet more or less to an intersection with a line drawn 200 feet southerly and southwesterly parallel with the center line of said railway company's right-of-way, thence southwesterly along the line 200 feet southwesterly from and parallel with the center line of the said railway company's right-of-way to an intersection with the easterly and northerly boundary of Pacific avenue, thence southwesterly along the northern boundary of Pacific avenue, and such line extended to the place of beginning.

That in addition to the property above described, the said railway company owns in the city of Tacoma, certain tide lands filled and improved, which it claims to hold for railroad purposes, but which said property is not used for railroad purposes at this time but is leased for docks, warehouses and other purposes connected with transshipment from the rail lines of the said railway company to water, and from water to such rail lines, amounting to the sum of 1,073,900 square feet. And certain tide lands which the said railway company claims to hold for railroad purposes but which it does not at this time use for such purposes, which is used for commercial purposes not connected with the transshipment from rail to water, amounting to 440,965 square feet, which said property is shown on said Exhibit D in red. And in addition thereto the said railway company owns in the city of Tacoma certain tide lands and uplands which it does not use for railroad purposes and does not claim to hold the same for such purposes, but holds the same strictly for commercial purposes, amounting to the sum of 2,175,539 square feet, and which is shown upon the said Exhibit E in brown.

Said lands so held, owned and shown on said map in yellow, red and brown, and those hereinbefore described as not being used or necessary for the use of said railroad company for operating property, are of the present market value of \$4,980,417.00; and the Commission does further find that the said property last above described is not necessary for the present use of or use in the immediate future by said railway company in the discharge of its duties as a common carrier.

That in addition to the property above described, the Northern Pacific Railway Company owns two tracts in South Tacoma lying

immediately east of Excelsior Park Addition, designated on the Assessor's map of Tacoma as diagram 24, containing 4.25 acres, and diagram 24 containing 6.20 acres, which property is not used nor is the same necessary to be used by the company in the immediate future for operating purposes.

No. 39.

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company, used by it for railroad purposes, and which it will need for such purposes in the immediate future, in the city of Seattle, would cost the sum of \$11,042,659.93.

In addition thereto the Northern Pacific Railway Company and the Great Northern Railway Company own jointly, terminals in the city of Seattle, now used for railroad purposes, each owning an undivided one-half thereof, and to reproduce the undivided one-half interest of the Northern Pacific Railway Company in such joint property, would cost the sum of \$1,995,516.57.

That in addition to the property hereinbefore described as being owned by the Northern Pacific Railway Company in the city of Seattle, and used by it for railroad purposes, the said railway company owns certain property which it claims to have purchased for and claims to be holding the same for railroad purposes, but which the Commission finds is not necessary for its immediate use for railroad purposes, that is to say:

Tide land blocks

- 111, containing 37,850 square feet,
- 112, containing 188,750 square feet,
- 113, containing 46,000 square feet,
- 116, containing 132,505 square feet,
- 117, containing 518,399 square feet,
- 118, containing 518,585 square feet,
- 119, containing 106,838 square feet,
- 120, containing 61,129 square feet,
- 121, containing 385,494 square feet,
- 122, containing 356,120 square feet,
- 123, containing 317,864 square feet,
- 125, containing 58,000 square feet,

A piece of land west of block 125, containing 48,000 square feet,

A portion of block 126, amounting to 88,030 square feet, 99,000 feet in said block being a part of the right-of-way of said railroad company.

- 128, containing 203,178 square feet,

A portion of 129, amounting to 233,283 square feet, 131,423 square feet of said block being used for right-of-way for railroad purposes.

A portion of block 130, amounting to 163,703 square feet, 153,400 square feet in said block being used for right-of-way purposes.

- 131, containing 178,852 square feet,

A portion of block 134, containing 81,283 square feet, 9,000 square feet of said block being used for railroad purposes.

A portion of block 136, amounting to 356,270 square feet, 18,000 square feet in said block being used for railroad purposes.  
137, containing 450,929 square feet,  
138, containing 64,680 square feet,  
A piece of land south of block 152, containing 60,600 square feet,  
159, containing 17,400 square feet,  
A portion of block 12-169 B, containing 25,200 square feet, 3,600 feet in said block being used for railroad purposes,  
A portion of block 177, containing 30,720 square feet, 7,920 square feet of said block being used for railroad purposes,  
D-179, containing 24,000 square feet,  
A portion of block 180, containing 30,720 square feet, 5,280 square feet in said block being used for railroad purposes,  
181, containing 130,142 square feet,  
A portion of block 182, containing 26,400 square feet, 9,600 square feet in said block being used for railroad purposes,  
183, containing 24,000 square feet,  
186, containing 24,000 square feet,  
A portion of block 187, amounting to 21,600 square feet, 14,400 square feet in said block being used for railroad purposes,  
A portion of block 188, amounting to 30,720 square feet, 5,280 square feet in said blocks being used for railroad purposes,  
189, containing 24,000 square feet,  
A portion of block 193, amounting to 30,720 square feet, 5,280 square feet in said block being used for railroad purposes,  
A portion of block 194, amounting to 42,800 square feet, 42,800 square feet in said block being used for railroad purposes,  
A portion of block 9 in Miner's Addition, amounting to 34,125 square feet, 875 square feet in said block being used for railroad purposes,  
A portion of a piece of land lying north of block 9 in Miner's Addition, containing 203,150 square feet, 39,600 square feet of which piece is used for railroad purposes,  
Tide land block 198½, containing 225,200 square feet,  
Portions of tide land blocks 365, 370, and 366, amounting to 222,300 square feet, 262,700 square feet in said block being used for railroad purposes.

All of which property so owned by said railway company and not being used by it for railroad purposes, or necessary for its use in the immediate future, is of the reasonable value of \$9,250,000.00.

**No. 40.**

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company and used by it for railroad purposes, in the city of Bellingham, would cost the sum of \$215,330.00.

**No. 41.**

That the reasonable cash market value of the lands included within the 400-foot strip granted by the United States to the Northern

Pacific Railway Company along its main line, and not used or necessary to be used by it for railroad purposes, is the sum of \$456,602.00, divided as follows:

In the county of Spokane, not including any property within the corporate limits of the city of Spokane, the sum of \$81,409.00;

In the county of Lincoln, the sum of \$8,035.00;

In the county of Adams, the sum of \$44,524.00;

In the county of Franklin, the sum of \$4,709.00;

In the county of Benton, the sum of \$35,320.00;

In the county of Yakima, the sum of \$106,244.00;

In the county of Kittitas, the sum of \$64,028.00;

On the branch line extending from the Snake River to Hunts Junction, being in Walla Walla county, the sum of \$5,025.00;

In the county of Pierce, on the main line, \$70,979.00, and on the Buckley branch, \$36,329.00.

#### No. 42.

That the Northern Pacific Railway Company, through the eastern portion of the state of Washington, traversed a rich agriculture section, producing annually large quantities of grain and hay, destined for transshipment over the lines of the said railroad company in car load lots, amounting to approximately 21,000,000 bushels of grain annually; large quantities of the wheat or product in flour is carried over the line of the Northern Pacific Railway Company to Tacoma and Seattle, and after arriving at its destination in Tacoma or Seattle is shipped to foreign ports.

That along the line of the Northern Pacific Railway Company in the state of Washington, there are adequate warehouses and facilities for handling, or storage of grain, which warehouses are owned and operated by private individuals as warehouses, but which warehouses add greatly to the facilities for freight shippers, and add value to the railroad line.

That in Tacoma and Seattle the docks and warehouses hereinbefore mentioned, whether the same are owned by the Northern Pacific Railway Company or by private individuals, add value to the line by reason of the fact that such facilities are sufficient and adequate for the transshipment of freight consigned from the line of the railroad to water and from steamboat line to the said railroad line.

#### No. 43.

That the Northern Pacific Railway Company is the owner of the capital stock of the Northwestern Improvement Company. That the Northwestern Improvement Company is the owner of large deposits of coal lands in the vicinity of Rosslyn and Clealum and other portions of the state and contiguous to the Northern Pacific Railway Company's lines, and has developed very valuable coal mines along the Northern Pacific Railway Company's lines. That said coal mines

as now developed are in close proximity to the summit of the Cascade range of mountains and in transporting the coal from the mines to the different points of consumption by the locomotives or the distributing points within the state of Washington, such coal is hauled on the down grade. That the said railway company is to a large extent conducting said coal mines through said subsidiary corporation, the Northwestern Improvement Company, for its own benefit and producing the coal largely for its own consumption. That by reason of the facts aforesaid the said railway company is able to procure and does procure its coal used on its locomotives in the state of Washington at a greatly reduced price over what other roads operating in the state of Washington are able to do, coal being furnished the Northern Pacific Railway Company for the years ending June 30th, 1906, and 1907, respectively at \$1.85 per ton and \$2.096 per ton, whereas the Great Northern Railway Company paid during the same period \$2.77 and \$2.92 per ton, and the Oregon Railroad & Navigation paid during the same period \$3.41 and \$3.80 per ton, the Tacoma Eastern Railway Company paid during said time \$2.68 and \$2.57 per ton, and the Bellingham Bay & British Columbia paid during said time \$3.61 and \$3.93 per ton. That during the year 1907 the Northern Pacific Railway Company paid out for fuel for locomotives used in the state of Washington, approximately \$1,655,000.00.

That by reason of the proximity of the said coal lands to the said line of railroad and by reason of the said road owning and controlling said mines, it adds great value to the lines of the said road within the state of Washington, in that it enables said road to lay down its fuel at the different distributing points along its line, used and consumed by it in the operation of its trains, at greatly reduced cost over other lines operating in the state of Washington.

**No. 44.**

That since the construction of the line of the Northern Pacific Railway Company through the state of Washington, said company has expended large sums of money advertising and exploiting the resources of the country adjacent to its lines and has encouraged immigration along its lines so that the country adjacent and tributary to its rail lines has a comparatively large population and the density of traffic and the country tributary to its lines are comparatively highly developed, compared with other portions of the state of Washington, which density of traffic and population add value to the said lines.

**No. 45.**

That the lines of the Northern Pacific Railway Company and particularly the line from Seattle to Sumas, and what are known as the Grays Harbor and South Bend branches, traverse sections of the state producing vast quantities of fir and cedar lumber and cedar shingles, which lumber and shingles furnish a heavy volume of tonnage east bound, traversing the entire main line of the said road.

## No. 46.

That the lines of the Northern Pacific Railway Company have been constructed almost entirely from moneys procured and derived from the sale of bonds, the earnings of the road and the sale of its granted lands, and outside of the original expense of incorporating the company, but little money has been paid into the treasury of said railroad company from the sale of its capital stock.

That the said railroad company has at all times since the construction of its lines in the state of Washington, paid the interest on its bonds as the same fell due, excepting for the years 1894 and 1895, which interest was paid in the reorganization agreement set out in Exhibit A, since the organization of said company in 1896, and said company has paid interest on its bonded indebtedness as the same accrued, and in addition thereto has paid dividends on its capital stock of \$155,000,000.00 as follows: For the year 1898, \$3,000,000.00, being 1.94 per cent.; for the year 1899, \$4,600,000.00, being 2.97 per cent.; for the year 1900, \$5,400,000.00, being 3.48 per cent.; for the year 1901, \$6,200,000.00, being 4 per cent.; for the year 1902, \$8,499,946, being 5.48 per cent.; for the year 1903, \$10,074,944.00, being 6.5 per cent.; for the year 1904, \$10,849,989.00, being approximately 7 per cent.; for the year 1905, \$10,850,000, being 7 per cent.; for the year 1906, \$10,850,000.00, being 7 per cent.; and for the year 1907, \$10,850,000.00, being 7 per cent.

That on the 30th day of June, 1907, the said Northern Pacific Railway Company had on hand in cash and current assets over and above its current liabilities, approximately \$22,477,458.00, and supplies and material of the value of \$5,889,931.00.

## No. 47.

That the total funded indebtedness of the Northern Pacific Railway Company amounts to the sum of \$294,280,100.00. \$107,613,000.00 of which consists of the joint bonds of the Chicago, Burlington & Quincy Railroad Company, which were issued in exchange for Chicago, Burlington & Quincy Railroad stock, the interest on the same being paid by the C. B. & Q. railroad company, the obligation of the Northern Pacific Railway Company being that of a surety or guarantor, is not hereinafter treated as an obligation of said railroad company.

Excluding said sum, the bonded obligation of the Northern Pacific Railway Company amounts to the sum of \$186,667,100.00, made up as follows:

General mortgage bonds of the St. Paul and Northern Pacific Railroad Company falling due in 1923, in the sum of \$8,021,000.00.

The Western Railroad of Minnesota, falling due in 1907, in the sum of \$18,000.00.

Northern Pacific prior lien bonds, falling due in 1907, in the sum of \$105,979,500.00.

Northern Pacific Railway general lien bonds in the sum of \$60,000,000.00, falling due in 2047.

cisco Railway & Navigation Company's line in Seattle, \$482,121.42, and the records show a further expenditure undistributed of \$236,305.63.

And for purchasing right-of-way during the years 1906 and 1907, for widening the line in Tacoma from Old Town to the Smelter, \$320,096.00.

**No. 27.**

That the accounting records of the Northern Pacific Railway Company show all sums that have been expended on the entire system irrespective of whether the same is now in existence or not, for equipment, without allowing credit for destroyed or worn out equipment, and such total cost has been distributed to the state of Washington on a locomotive and car mileage basis, and on such distribution the records show there is chargeable to the state of Washington for equipment, the sum of \$11,480,936.24.

**No. 28.**

That the accounting records of the Northern Pacific Railway Company show that there was paid for discounts, commissions, etc., after the year 1875, the sum of \$18,684,005.16; and there was charged on such accounting records for discount and commission, in addition to the sum above mentioned, directly to the lines in the state of Washington, the sum of \$2,100,275.49, which sum of \$18,684,005.16 being distributed to the state of Washington based on the ratio of the construction expenditures in Washington to the total capital equipment and expenditures of the system to August, 1896, amount to a total sum of \$6,265,982.73, chargeable to the lines in the state of Washington, which sum includes said sum of \$2,100,275.49.

**No. 29.**

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles, culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. on the items mentioned in connection with engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

That a reasonable and fair allowance for interest during construction would be seven and one-half per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment, legal and general expenses, costs of engineering and the value of the right-of-way and terminals.



## No. 30.

That in order to reproduce the lines hereinbefore mentioned as owned and operated by the Northern Pacific Railway Company, including the Washington & Columbia River Railway Company and the Port Townsend Southern Railway Company in the condition in which the same were on the 30th day of June, 1906, considering the improvements and structures as new, it would be necessary to expend for engineering, superintendence, clearing, grubbing, grading, construction of tunnels, construction of bridges, trestles, culverts, laying of ties and rails, track fastenings, frogs and switches, ballast, track laying, surfacing, fencing, right-of-way, snow fences, sheds, crossings, cattle guards and signs, telegraph lines, station buildings and fixtures, engine houses, turn tables, engine and car shops, shop machinery and tools, water stations, fuel stations, stock yards, interlocking and signal apparatus, docks and wharves, coal bunkers and ferries, and inclines, section and tool houses, miscellaneous structures, legal and general expenses, interest during construction and for stores on hand, but not including right-of-way, terminal grounds and equipment, the sum of \$61,680,340.75.

## No. 31.

That of the bridges, trestles and culverts along said line, wooden bridges would depreciate materially, while iron bridges but slightly, that the present value of the bridges, trestles and culverts, allowing for the depreciation, is approximately 84.7 per cent. of their value new.

That the ties would have depreciated so that their present value is 50 per cent. of their value new.

That the rails, track fastenings, frogs and switches have depreciated so that the present value is approximately 80 per cent of their value new.

That the fencings, crossings, cattle guards and signs along the right-of-way have depreciated so that the present value is approximately 55 per cent. of their value new.

That the snow protection has depreciated so that its present value is approximately 72 per cent. of its value new.

That the present value of the telegraph lines is approximately 75 per cent. of its value new.

That the present value of the station buildings and fixtures is approximately 81.5 per cent of their value new.

That the present value of the engine houses and turn tables is approximately 68.2 per cent of their value new.

That the present value of the engine and car shops is approximately 66.4 per cent of their value new. That the present value of the shop machinery and tools is approximately 65 per cent. of their value new.

That the present value of the water stations is approximately 65 per cent. of their value new.

That the present value of the fuel stations is approximately 77.5 per cent. of their value new.

That the present value of the stock yards is 45.5 per cent of their value new.

That the present value of the interlocking apparatus is 85 per cent. of their value new.

That the present value of the docks and wharves and coal bunkers is 75 per cent of their value new.

That the present value of the section and tool houses and miscellaneous structures is approximately 61 per cent. of their value new. That the cash market value of the said property on the 30th day of June, 1906, not including real estate, terminal grounds and equipment, based solely on the cost of reproduction, was the sum of \$55,475,-827.25.

#### No. 32.

That the locomotives assigned to and used upon the lines of the Northern Pacific Railway Company, in the state of Washington, cost new, the sum of \$3,689,522.18.

That since the purchase of said locomotives, locomotives have advanced in price, and it would cost to reproduce the same new the sum of \$4,242,950.51.

The said locomotives have been in use an average of ten years. That there would be an annual depreciation on such locomotives, making due allowance for salvage while in use of approximately 3.6 per cent. That the present cash market value of said locomotives is the sum of \$2,715,488.33.

That the original cost of the passenger coaches and equipment of the lines owned and operated by the Northern Pacific Railway Company in the state of Washington, is the sum of \$1,598,184.34.

That it would cost to reproduce said passenger equipment new as of the 30th day of June, 1906, the sum of \$1,837,911.98.

That such equipment has been in use an average of 11.1 years, with an annual depreciation of approximately 3.6 per cent, and that the present cash market value of such passenger equipment is the sum of \$1,102,766.43.

That the freight equipment properly assignable to the state of Washington, used by the Northern Pacific Railway Company, cost \$5,665,563.95. That it would cost to reproduce the same new, \$8,040,-254.90.

That such freight equipment has been in use an average of 8.2 years, with an annual depreciation of approximately 3.6 per cent., and that the present depreciated value of such freight equipment is the sum of \$5,668,379.72.

That the work and miscellaneous equipment properly assignable and chargeable to the state of Washington, cost originally the sum of \$524,850.

That it would cost to reproduce the same new the sum of \$603,-

578.55. That the same has been in use an average of eight years, with an annual depreciation of approximately 3.6 per cent., and the present market value thereof is approximately the sum of \$425,522.88, making a total present cash value of all equipment properly chargeable and assignable to the state of Washington, used by the Northern Pacific Railway Company on any and all of the lines in the state operated by it, of the sum of \$9,677,946.87.

**No. 33.**

That in order to reproduce the right-of-way used for railroad purposes it is necessary to pay, in addition to the market value of the land taken, prices ranging from such market value to 500 per cent. in excess thereof, to cover consequential damages to the land not taken and because of the necessities of the railway company to have the particular land sought.

**No. 34.**

That it would cost to reproduce the right-of-way and terminals of the Northern Pacific Railway Company, used by it for railroad purposes and such as will be necessary for its use in the immediate future, the sum of \$32,862,872.00, which sum is divided along the line of the Northern Pacific Railway Company as hereinafter set out.

That the Northern Pacific Railway Company received a grant from the United States for right-of-way purposes across public domain, and lands owned by the United States, 400 feet in width, along its main line. That at the time of such grant and of the construction of the main line large portions of the territory along the main line of the said railroad was public lands belonging to the United States, and the said Northern Pacific Railway Company thus secured a strip for right-of-way purposes 400 feet in width. That such strip 400 feet in width is not used by the said railroad company for right-of-way purposes nor is the same necessary for the use of said road or such as will be anticipated in the immediate future for railroad purposes, and that a strip of land 50 feet in width on either side of the center line of its main track, excepting through the towns and cities, is ample for the needs of said railroad company and is all the land that said company will use for railroad purposes, and that through the incorporated towns and cities the full width owned by the railroad company for right-of-way purposes has been allowed.

That in order to reproduce the right-of-way necessary for the use of the Northern Pacific Railway Company, along its main line, in the county of Spokane, excluding therefrom the property used by it in the corporate limits of the city of Spokane, would cost the sum of \$102,835.00.

That in order to reproduce the property owned and used by the Northern Pacific Railway Company along its main line in the county of Lincoln, and such as will be necessary for its immediate future use, would cost \$65,419.00.

That the Commission has been unable to find any evidence of sales of said St. Paul & Duluth bonds for said years other than those hereinbefore given.

That during the said time the bonds known as the St. Paul & Northern Pacific, falling due in 1923, bearing interest at 6 per cent., amounting to \$8,021,000.00, sold in the open market as follows:

For the year 1903:

January .....	127	...
February .....	125	127
April .....	125	126
August .....	121	...
October .....	122	...

For the year 1904:

March .....	122½	...
October .....	125	...

For the year 1905:

January .....	126⅝	...
March .....	126	...
April .....	125½	...
September .....	125½	...
October .....	125	...

For the year 1906:

March .....	124	124¾
April .....	125	...
May .....	124¾	...
August .....	122⅞	...
September .....	125⅞	...
November .....	123¾	...

For the year 1907:

March .....	120	...
May .....	122½	122¾
June .....	122¾	...
September .....	116½	...

That the Commission has been unable to find any evidence of any sales having occurred during said years, of said bonds, other than as hereinbefore stated.

That during said time the first mortgage bonds of the St. Paul & Duluth Railroad Company, amounting to \$1,000,000.00, drawing interest at 5 per cent., due in 1931, sold in the open market as follows:

For the year 1903:

July .....	112¼	...
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For the year 1905:

December .....	114	...
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That to reproduce the right-of-way along the branch lines in Franklin county would cost the sum of \$7,738.00.

That to reproduce the right-of-way along the branch lines of the Northern Pacific Railway Company in Walla Walla county, including the Washington & Columbia River Railway Company, would cost the sum of \$270,060.00.

That to reproduce the right-of-way along the branch lines in Columbia county, would cost the sum of \$19,816.00.

That to reproduce the right-of-way along the branch lines in Yakima county, would cost the sum of \$33,014.00.

That to reproduce the right-of-way along the branch lines in Kittitas county, would cost the sum of \$9,348.00.

That to reproduce the right-of-way along the branch lines in Whitman county, would cost the sum of \$315.032.00.

That to reproduce the right-of-way and terminals along the branch line in King county, excluding all property in the city of Seattle, would cost the sum of \$268,668.00.

That to reproduce the right-of-way and terminals along the branch lines in Snohomish county, excluding therefrom all property in the city of Everett, the sum of \$170,869.00.

That to reproduce the right-of-way and terminals along the branch lines in Whatcom county, including all property and terminals in the city of Bellingham, would cost \$260,792.00.

That to reproduce the right-of-way and terminals along the branch lines in Pierce county, would cost the sum of \$248,397.00.

That to reproduce the right-of-way and terminals along the branch lines in Thurston county, would cost \$68,350.00.

That to reproduce the right-of-way and terminals along the branch lines in Chehalis county, would cost \$462,128.00.

That to reproduce the right-of-way and terminals along the branch lines in Lewis county, would cost the sum of \$91,450.00.

That to reproduce the right-of-way and terminals along the branch lines in Pacific county, would cost \$97,628.00.

That to reproduce the right-of-way and terminals along the branch lines in Clarke county, would cost \$178,773.00.

That that portion of the branch line known as the Port Townsend Southern Railway Company in Thurston county, would cost to reproduce new, the sum of \$17,506.00.

That to reproduce that part of the line known as the Port Townsend Southern Railway Company in Jefferson county, would cost the sum of \$41,812.00.

#### No. 36.

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company, used by it for railroad purposes in the city of Spokane, would cost \$5,306,465.00.

That in addition to the property owned by the Northern Pacific Railway Company in the city of Spokane, used by it and necessary to be used by it for railroad purposes, it owns the following described

For the year 1904:		
August .....	96½	...
For the year 1905:		
February .....	97½	101
April .....	100¼	...
August .....	100	...
October .....	100½	...
November .....	100½	...
For the year 1906:		
July .....	100	...
September .....	98½	...
October .....	98½	...

The Commission has been unable to find any evidence of any sales of said mortgage bonds having occurred at other times during said period.

#### No. 48.

That as before stated, the capital stock of the Northern Pacific Railway Company consists of 1,550,000 shares, of the par value of \$100 per share, making a total capital stock issue of \$155,000,000.00. That said stock has sold in the open market as follows: (The first figures hereinafter given representing the lowest sale during the month, and the second figures as given for that month representing the highest figure at which such stock sold.)

For the year 1905:		
April .....	165	178
May .....	169½	196
June .....	181	190
July .....	187¾	208
August .....	204	216
September .....	205¾	214
October .....	201	212½
November .....	291½	205½
December .....	193½	207½
For the year 1906 said stock sold as follows:		
January .....	199	211¼
February .....	205½	232½
March .....	206½	223¾
April .....	193½	223
May .....	179¼	211½
June .....	191	214
July .....	190	205½
August .....	203¼	219½
September .....	207¾	219
October .....	208¾	218
November .....	209½	228
December .....	179¼	224¾

For the year 1907 the said stock sold as follows:

January .....	149	189½
February .....	144½	155¾
March .....	144¼	146¾
April .....	126½	139
May .....	120	137½
June .....	119⅞	130¼
July .....	126	137⅞
August .....	113	132⅞
September .....	121	134¼
October .....	100½	132¾
November .....	102½	111¾
December .....	109½	121¾

#### No. 49.

That in addition to the properties hereinbefore set out as being owned by the Northern Pacific Railway Company, said company is the owner of the right to select Government land in lieu of lands relinquished by it to the United States included within its land grant in the state of Washington, amounting to 631,252.88 acres, which right the Commission estimates to be of the reasonable value of \$8.00 per acre.

And, in addition, the Northern Pacific Railway Company owns 1,280,409.5 acres of public land granted to it by the United States, large portions of which lands are unsurveyed and have not yet been examined, and the value is not ascertainable.

That of the entire cost of reproducing the tunnels on the entire system of the Northern Pacific Railway Company, approximately 62.3 per cent. thereof would be expended in the state of Washington.

That to reproduce the bridges on the entire system, 31.6 per cent. would be expended in the state of Washington.

That in order to reproduce the right-of-way and terminals and real estate owned and held by the Northern Pacific Railway Company, on its entire system, for railroad purposes, approximately 56.8 per cent. thereof would be expended within the state of Washington.

#### No. 50.

That grading undergoes what is ordinarily termed seasoning and appreciates for a number of years after construction, such appreciation, however, is included in the present market value of the line hereinbefore given.

#### No. 51.

That the Great Northern and the Northern Pacific Railway Company jointly, constructed a passenger station building in the city of Seattle, said station building costing, exclusive of the real estate, the sum of \$549,633.39.

That the same was erected and constructed in the years 1904 and 1905. That it would cost the Northern Pacific Railway Company to

reproduce its one-half interest in said station buildings, exclusive of real estate upon which the same is situate, the sum of \$280,000.00, which sum is included, however, in the cost of reproduction hereinbefore set out, and the market value herein set out.

No. 52.

That for the sake of brevity the words interstate freight and interstate tonnage and state freight and state tonnage are defined and used as follows:

Interstate freight or interstate tonnage is freight or tonnage that originates on the line of the said road within the state of Washington, passing over the lines within the state and over the lines of said road beyond the limits of the state, or, freight originating outside the state of Washington, destined to points within the state and passing over the lines without the state and over the lines within the state of Washington; or, freight originating outside the state of Washington, destined to points without the state, passing over the lines of the said railroad without the state and over the said lines within the state; or, freight originating within the state of Washington destined to points within the state of Washington, but passing over the lines of the said railroad both within and without the state.

State freight or tonnage as hereafter used is freight originating on the lines of the railroad within the state of Washington destined to points within the state of Washington, and passing over the lines of the said railroad wholly within the state.

Interstate passengers are passengers travelling on a continuous contract with said railroad company over its lines both within and without the state.

State passengers are passengers travelling over the said line on continuous contracts on the lines wholly within the state of Washington.

No. 53.

That for the fiscal year ending June 30th, 1905, the Northern Pacific Railway Company carried over its lines in the state of Washington, 5,294,190 tons, constituting 1,093,238,421 tons of freight carried one mile over its said lines.

That for the year ending June 30th, 1906, the said company carried over its lines in the state of Washington, 7,152,234 tons, constituting 1,390,064,467 ton miles.

And for the year ending June 30th, 1907, the said company carried over its said lines within the state, 7,954,873 tons, constituting 1,392,894,577 ton miles.

That of the said tons carried one mile, approximately 31 per cent. thereof was state freight and approximately 69 per cent. thereof was interstate freight and tonnage.

That of said ton miles of freight carried over the lines in the state of Washington, approximately 21.02 per cent. thereof was grain, in-



cluding wheat, oats, flour, barley, feed and flax, and of which ton miles of grain 63.04 per cent. thereof was state tonnage and 36.96 per cent thereof was interstate tonnage. That said state grain was hauled an average distance of 255.5 miles and that said interstate grain was hauled an average distance of 561.8 miles, 387.3 miles of which was over the lines within the state of Washington and 174.5 miles of which was over the lines of said company outside of the state of Washington.

That of said ton miles so carried as aforesaid, approximately 42.13 per cent. thereof was lumber, of which lumber 6.33 per cent. was state and 93.67 per cent. was interstate. That the average distance hauled of such lumber was state 110.9 miles, interstate 1488 miles of which 1060.8 miles was over the lines of the said road without the state and 427.2 miles was over the lines of said road within the state.

That of said ton miles so carried as aforesaid, 3.67 per cent. thereof consisted of logs and other forest products, of which 89.88 per cent. was state freight and 10.12 per cent was interstate freight, and of which the state freight was hauled an average distance of 26.2 miles and the interstate portion thereof 238.1 miles, 144.2 miles of which was over the lines of said road outside the state of Washington and 93.9 miles of which was over the lines of said company within the state of Washington.

That of said ton miles so carried as aforesaid, 5.14 per cent. thereof consisted of coal, of which 75.03 per cent. was state tonnage and 24.97 per cent. was interstate tonnage. That said state tonnage was hauled an average distance of 84 miles and said interstate coal an average distance of 262.9 miles, 79.4 miles of which was over the lines of the said company outside the state of Washington and 183.5 miles of which was over the lines of the said company within the state of Washington.

That of said ton miles so moved, 1.26 per cent thereof consisted of iron and steel articles, of which 11.20 per cent. thereof was state freight and moved an average distance of 90.4 miles, and 88.80 per cent. thereof was interstate freight and moved an average distance of 1047.6 miles, 716.5 miles of which was over the lines of said company without the state of Washington and 331.1 miles was over the lines of the said company within the state.

That of said ton miles so moved as aforesaid, .55 per cent. thereof consisted of steel rails, of which rails 7.56 per cent. was state freight and moved an average distance of 84.4 miles, and 92.44 per cent. thereof was interstate freight and moved an average distance of 1130 miles, 770.9 miles of which was hauled over the lines of the said company without the state and 359.1 miles of which was hauled over the lines of the said company within the state.

That of said ton miles so moved as aforesaid, 1.16 per cent. thereof consisted of live stock, of which 31.83 per cent. was state freight and

moved an average distance of 175.9 miles, and 68.17 per cent. thereof was interstate freight and moved an average distance of 780 miles, 535.6 miles of which was over the lines of said company without the state and 244.4 miles was over the lines of said company within the state.

That of the said ton miles of freight so moved as aforesaid, 2.25 per cent. thereof consisted of hay, of which 77.78 per cent. thereof was state freight and moved an average distance of 162.8 miles, and 22.22 per cent. thereof was interstate freight and moved an average distance of 779.09 miles, 413 miles of which was over the lines of said company without the state and 366.09 miles of which were over the lines of said company within the state.

That of said ton miles of freight hereinbefore mentioned, .61 per cent. thereof consisted of machinery, of which 11.11 per cent. was state freight, moving an average distance of 78.8 miles, and 88.89 per cent. thereof was interstate freight, moving an average distance of 1184.6 miles, 811.6 miles of which was over the lines of the said company without the state and 373 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, .04 per cent. thereof consisted of fresh meat, of which 31.05 per cent. was state freight, moving an average distance of 84.9 miles, and 68.95 per cent. thereof was interstate freight, moving an average distance of 916.7 miles, 665 miles of which was over the lines of said company without the state and 251.7 miles of which was over the line of said company within the state.

That of said ton miles of freight so moved as aforesaid, .15 per cent. thereof consisted of packing house products, all of which was interstate freight moving an average distance of 886.3 miles, 589.9 miles of which was over the lines of the said company without the state and 286.4 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, 1.14 per cent. consisted of canned salmon, 3.71 per cent. of which was state freight moving an average distance of 119.1 miles, and 96.29 per cent. was interstate freight, moving an average distance of 1159.08 miles, 795.1 miles of which was over the lines of the said company without the state and 364.7 miles of which was over the said lines of the company within the state.

That of the said ton miles of freight so moved as aforesaid, .06 per cent. thereof consisted of butter, eggs and cheese, all of which was interstate and moved an average distance of 905.3 miles, 627 miles of which was over the lines of the said company without the state and 278.3 miles of which was over the lines of the said company within the state.

That of the said ton miles so moved as aforesaid, .24 per cent. thereof consisted of brick and stone, of which 70.83 per cent. thereof was state freight moving an average distance of 59.5 miles, and 29.12

per cent. thereof was interstate freight moving an average distance of 192.7 miles, 130.2 miles of which was over the lines of said company without the state and 62.5 miles of which was over the lines of the said company within the state.

That of said ton miles so moved as aforesaid, 1.16 per cent. thereof consisted of lime, cement and plaster, 17.15 per cent. of which was state freight moving an average distance of 226.3 miles, and 82.85 per cent. of which was interstate freight moving an average distance of 1049.5 miles, 719 miles of which was over the lines of the said company without the state and 330.5 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, .04 per cent. thereof consisted of sand and gravel, 46 per cent. of which consisted of state freight, moving an average distance of 39.6 miles, and 54 per cent. of which consisted of interstate freight, moving an average distance of 778.2 miles, 482.3 miles of which was over the lines of the said company without the state and 295.3 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, .43 per cent. thereof consisted of fresh fruit, of which 3.07 was state freight moving an average distance of 149.1 miles, and 96.93 per cent. thereof was interstate freight moving an average distance of 936.6 miles, 641.3 miles of which was over the lines of the said company without the state, and 295.3 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, .31 per cent. thereof consisted of vegetables, of which 75.32 per cent. was state freight moving an average distance of 113.3 miles, and 24.68 per cent. thereof was interstate freight moving an average distance of 520.7 miles, 342.5 miles of which was over the lines of the said company without the state and 178.2 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, .33 per cent. thereof consisted of beer and liquors, 32.73 per cent. of which was state freight moving an average distance of 39.9 miles, and 67.27 per cent. thereof was interstate freight moving an average distance of 520.1 miles, 354.2 miles of which was over the lines of the said company without the state and 165.9 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, .17 per cent. consists of new furniture, of which 16.73 per cent. was state freight moving an average distance of 207.3 miles, and 83.27 per cent. of which was interstate freight moving an average distance of 973.1 miles, 677.5 miles of which was over the lines of the said company without the state, and 295.6 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, 2.60 per cent. thereof consists of ore, of which 6.21 per cent. was state

freight moving an average distance of 114.8 miles, and 93.79 per cent. of which was interstate freight moving an average distance of 968.1 miles, 663.5 miles of which was over the lines of the said company without the state, and 304.6 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, .17 per cent. thereof was hops, of which 2 per cent. consisted of state freight moving an average distance of 49 miles, and 98 per cent. of which consisted of interstate freight moving an average distance of 992.4 miles, 688.4 miles of which was over the lines of the said company without the state and 304 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, .07 per cent. consisted of agricultural implements, all of which was interstate freight, moving an average distance of 666.1 miles, 447.3 miles of which was over the lines of the said company without the state and 218.8 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, approximately 4 per cent. thereof consisted of freight in less than car load lots, of which 26.13 per cent. thereof was state freight moving an average distance of 89 miles, and 73.87 per cent. of which was interstate freight moving an average distance of 851.2 miles, 608.5 miles of which was over the lines of the said company without the state and 242.7 miles of which was over the lines of the said company within the state.

That the balance of the said ton mile, approximating 11.30 per cent., consisted of miscellaneous car load freight, moving under special commodity rates consisting of more than 100 commodities, of which approximately 8 per cent. was state freight moving an average distance of 85 miles, and 92 per cent. of which was interstate freight moving an average distance of 1050 miles, 720 miles of which was over the lines of said road without the state and 330 miles of which was over the lines of the said road within the state.

That of the said freight hereinbefore referred to, the average net weight per car is as follows:

On wheat, state, 32.4 tons per car; interstate, wheat, 32.2 tons per car.

On oats, state, 24.2 tons per car; interstate, 28.1 tons per car.

On flour, state, 22.5 tons per car; interstate, 20 tons per car.

On barley, state, 28.8 tons per car; interstate, 32.7 tons per car.

On feed, state, 17.6 tons per car; interstate, 20.5 tons per car.

On corn, state, 17.5 tons per car; interstate, 31.7 tons per car.

on flax, (all of which was interstate), 33 tons per car.

On fir lumber, state, 24.6 tons per car; interstate, 23.9 tons per car.

On cedar lumber and shingles, state, 20.7 tons per car; interstate, 16.7 tons per car.

On logs and other forest products, state, 32.6 tons per car; interstate, 20.3 tons per car. No logs were carried interstate.

On coal, state, 32.1 tons per car; interstate, 29.2 tons per car.

Iron and steel, state 21.3 tons per car; interstate, 27.6 tons per car.

Iron and steel rails, state, 31.5 tons per car; interstate, 32 tons per car.

On live stock, state, 12.2 tons per car; interstate, 10.8 tons per car.

On hay, state, 12.9 tons per car; interstate, 13.9 tons per car.

Machinery, state, 15.9 tons per car; interstate, 16.6 tons per car.

Fresh meat, state, 11.7 tons per car; interstate, 10 tons per car.

Packing house products, all of which is interstate, 13.9 tons per car.

Salmon, canned, state, 19.5 tons per car; interstate, 23.9 tons per car.

Butter, eggs and cheese, all of which was interstate, 12.7 tons per car.

Brick and stone, state, 28.5 tons per car; interstate, 24.4 tons per car.

Lime, cement and plaster, state, 25.2 tons per car; interstate, 29 tons per car.

Sand and gravel, state, 28.6 tons per car; interstate, 28 tons per car.

Fresh fruit, state, 12.6 tons per car; interstate, 13.8 tons per car.

Vegetables, state, 13.5 tons per car; interstate, 13.6 tons per car.

Beer and liquor, state, 14.9 tons per car; interstate, 16.4 tons per car.

Furniture, new, state, 9.1 tons per car; interstate, 10 tons per car.

Ore, state, 36 tons per car; interstate, 29.6 tons per car.

Hops, state, 7.5 tons per car; interstate, 14.7 tons per car.

Agricultural implements, state, all of which is state, 14.7 tons per car.

#### No. 54.

That the figures hereinbefore given showing the traffic movement over the lines of the Northern Pacific Railway Company for the years 1905, 1906 and 1907, do not include the traffic movement passing over the line of the Washington & Columbia River division or of the Port Townsend Southern division which are hereinafter given.

That for the fiscal year ending June 30th, 1906, the Washington & Columbia River Railroad Company carried over its lines in the state of Washington, from which it received revenue, 316,263 tons of freight, aggregating 10,916,106 tons carried one mile.

That for the fiscal year ending June 30th, 1907, the said road carried over its lines in the state of Washington, 304,730 tons, constituting 11,567,728 tons carried one mile.

That of said tons carried one mile, approximately 82.52 per cent. thereof was state freight and 17.48 per cent. thereof was interstate freight.

That of said ton miles of freight carried over the lines in the state of Washington, approximately 53.56 per cent. thereof was grain, of which 85.12 per cent. thereof was state grain, and 14.88 per cent. thereof was interstate.

That of said ton miles so carried as aforesaid, approximately 11.43 per cent. thereof was lumber, of which 92.78 per cent. was state and 7.22 per cent. thereof was interstate.

That of said ton miles so carried as aforesaid, 2.32 per cent. thereof consisted of logs and forest products other than lumber, of which 92.91 per cent. was state and 7.09 per cent. thereof was interstate.

That of said ton miles so carried as aforesaid, approximately 3.55 per cent. thereof consisted of coal, of which 88.68 per cent. thereof was state and 11.32 per cent. thereof was interstate.

That of said ton miles so carried as aforesaid, approximately 4.64 per cent. consisted of freight in less car loads, of which 62.63 per cent. thereof was state and 37.37 per cent. thereof was interstate freight.

That of the remaining freight, approximating 24.43 per cent., consisted of commodities in mixed car loads and freight carried at commodity rates aggregating many different commodities, of which approximately 73.92 per cent. thereof was state and 26.08 per cent. thereof was interstate.

That for the year ending June 30th, 1906, the Washington & Columbia River Railroad Company carried over its lines in the state of Washington, 69,754 revenue earning passengers, constituting 2,393,437 passenger miles; that said passengers were carried an average distance of 34.31 miles and paid an average per passenger per mile of \$.02252.

That for the fiscal year ending June 30th, 1907, the Washington & Columbia River Railway Company carried over its lines in the state of Washington, 74,372 revenue earning passengers, constituting 2,684,509 passenger miles; that said passengers were carried an average distance of 36.10 miles and said passengers paid an average of \$.0232 per passenger mile.

That for the fiscal year ending June 30th, 1906, the said road received for the carrying of mail, \$4,193.33; that it received from the express companies doing business over its line, \$6,871.91; that it received from extra baggage and storage, \$564.73; that it received from demurrage, \$712.00; that it received from freight storage, \$24.70; that it had a balance due it for switching charge amounting to \$112.00; from rents of tracks, yards and terminals, \$78.00.

That for the fiscal year ending June 30th, 1907, the said company earned from carrying mail, \$6,778.52; that it received from the express companies doing business over its line, \$7,001.70; that it received from extra baggage and storage, \$586.56; that it received from demurrage, \$700.00; that it received from storage, \$79.95; that it had a balance due it for switching charges of \$131.00, and from the rents of tracks, yards and terminals, \$78.00.

That of said express business approximately 59 per cent. thereof was express local to the state of Washington, and approximately 41 per cent. thereof was interstate express business.

No. 55.

That the Port Townsend Southern Railroad Company carried over its lines in the state of Washington, for the fiscal year ending June 30th, 1905, 23,647 tons of revenue earning freight constituting 257,175 ton miles.

That for the fiscal year ending June 30th, 1906, the said road carried over its line in the state of Washington, 36,701 tons of revenue earning freight, constituting 306,629 ton miles.

That for the fiscal year ending June 30th, 1907, the said road carried over its line in the state of Washington, 40,967 tons of revenue earning freight, constituting 430,611 ton miles.

That said road received from earnings for the carrying of mail for the year 1905, \$1,490.87, from the express companies doing business over its line the sum of \$287.91; that it received from extra baggage and storage, \$157.82; that it received for switching charges, \$1,332.00, and that it received from rents the sum of \$133.00.

That for the fiscal year ending June 30th, 1906, the said road received for carrying mail, \$1,948.75; from express companies operating over its line, \$701.24; from baggage and storage, \$145.20; from demurrage, \$59.00, and from rents, etc., \$28.00.

That for the fiscal year ending June 30th, 1907, the said road received from carrying mail, \$1,987.61; from express companies doing business over its line, \$298.08; from baggage and storage, \$87.22; that it received for switching charges, \$10,755.70, and from rents and other sources, \$258.00.

No. 56.

That for the fiscal year ending June 30th, 1905, the Northern Pacific Railway Company carried over its lines in the state of Washington, from which it received revenue, 2,117,529 passengers, constituting 149,597,279 passenger miles, and that said passengers were carried an average distance of 70.65 miles. That the said passengers paid to the said railway company an average of \$1.64324, being an average charge per mile of \$.02326.

That for the fiscal year ending June 30th, 1906, the Northern Pacific Railway Company carried over its lines in the state of Washington, from which it received revenue, 2,600,317 passengers, constituting 221,569,644 passenger miles, and that said passengers were carried an average distance of 85.21 miles. That said passengers paid to the said railway company an average of \$1.82694, constituting an average rate of \$.02144 per mile.

That for the fiscal year ending June 30th, 1907, the Northern Pacific Railway Company carried over its lines in the state of Washington, from which it received revenue, 3,174,563 passengers, consti-

tuting 224,214,106 passenger miles, carrying said passengers an average distance of 70.63 miles. That the said railway company received from said passengers an average of \$1.69115, making an average rate per mile of \$.02394.

That the traffic above specified includes all passengers carried over the lines in the state of Washington, for the said fiscal years, whether the said passengers were state or interstate, the interstate passengers being apportioned to the state of Washington on a strictly passenger mileage basis.

That of the passengers carried during the said fiscal years, approximately 72.4 per cent. thereof were state passengers and 27.6 per cent. were interstate passengers.

That of the passenger miles above enumerated, approximately 37.1 per cent. thereof was state and 62.9 per cent. thereof was interstate.

That for the fiscal year ending June 30th, 1906, the said passengers were carried an average distance per passenger of 43.61 miles state, and interstate passengers passing over the lines in the state of Washington were carried an average distance of 194.18.

That for the fiscal year ending June 30th, 1906, the average receipts per passenger per mile of state passengers were \$.02703, and the average receipts per passenger per mile of interstate passengers was \$.01815.

#### No. 57.

That the Northern Pacific Railroad Company has contracted with the express company doing business over its lines, by which it received 50 per cent. of the gross receipts whether such business is state or interstate.

That in its report for the fiscal year ending June 30th, 1905, 1906, and 1907, said railroad has apportioned to the state of Washington, its express business, on the express car mileage basis. That said reports show, based as aforesaid, that for the fiscal year ending June 30th, 1905, said railroad received from its express business in Washington the sum of \$228,762.18. That for the fiscal year ending June 30th, 1906, it received the sum of \$294,954.77, and that for the fiscal year ending June 30th, 1907, it received the sum of \$338,245.17.

The Commission finds that for the fiscal year ending June 30th, 1906, that of the express business done over the lines in the state of Washington, the Northern Pacific Railway Company received from such express company for business strictly state, \$172,758.90, and that the amount paid said railroad for its interstate business, apportioned strictly on a mileage basis, would in said year have amounted to \$112,078.50, making a total earning as apportioned from express business for that year, the sum of \$248,837.40.

The Commission finds that of the express business so reported by said railroad, approximately 60 per cent. thereof was earnings from state business and 40 per cent. thereof was earnings from interstate business.



**No. 58.**

The Commission finds that the Northern Pacific Railway Company has a contract with the United States for carrying mail over its lines, and that the said railway company is paid for carrying said mail according to the weight of mail carried.

That approximately 56.73 per cent. of the mail carried over the lines of the said railway in the state of Washington, is interstate mail, and approximately 43.27 per cent. thereof is mail local to the state of Washington.

That for the fiscal year ending June 30th, 1906, the United States paid to the Northern Pacific Railway Company for carrying mail over its lines in the state of Washington, the sum of \$225,471.11.

**No. 59.**

The Commission finds that the Northern Pacific Railway Company earned for the fiscal year ending June 30th, 1906, within the state of Washington, over and above what it paid out, for switching, the sum of \$97,860.04.

That it received from demurrage and storage charges the sum of \$90,534.73.

That it received from rents of tracks, yards, etc., within the state, the sum of \$10,748.41.

That it received from wharfage and dockage connected with its rail lines the sum of \$48,138.20.

That it received from lunch stands, etc., operated in connection with its railway systems, \$34,119.41.

That it received from the operation of special trains the sum of \$3,439.67.

That it received from dining, grill, observation and sleeping cars local to Washington, (the same being prorated on basis of passenger earnings), from state business, \$66,882.70, and prorate on the passenger earnings from interstate business, \$76,365.03.

And that the said railway company received and credited from rents of buildings, land, wharves, etc., the sum of \$189,051.61.

**No. 60.**

That the Northern Pacific Railway Company's lines operated in the state of Washington are divided in operating divisions as hereinafter stated.

A division extending from Trout Creek, Montana, to Wallula, Washington, a distance of 292.80 miles, of which 178 miles is situated within the state of Washington. That on said division between Trout Creek and Wallula there are 460 curves with an aggregate length of curve line amounting to 79.52 miles; that there is 213.28 miles of straight line and 56.91 miles of level track; that the ascending grades number 110, aggregating an ascent of 7,035 feet, said ascending grades having an aggregate length of 67.59 miles; that the descending grades

number 164, making an aggregate descent of 4,658 feet, and an aggregate length of said descending grade of 168.80 miles.

That on the operating division extending from Pasco to Ellensburg, being 125.92 miles in length, there are 143 curves with an aggregate length of curve line amounting to 35.32 miles; that there is 90.6 miles of straight line and 30.82 miles of level track; that the ascending grades number 49, aggregating an ascent of 1529 feet, said ascending grades having an aggregate length of 78.09 miles; that the descending grades number 25, making an aggregate descent of 504 feet, and an aggregate length of said descending grade of 17.01 miles.

That on the operating division extending from Ellensburg to Tacoma, being 124.40 miles in length, there are 223 curves, with an aggregate length of curved line amounting to 38.02 miles; that there are 86.44 miles of straight track and 17.96 miles of level track. That the ascending grades number 38, aggregating an ascent of 1460 feet, said ascending grades having an aggregate length of 44.44 miles; that there are 34 descending grades, making a descent of 2590 feet, said descending grades having an aggregate length of 62.05 miles.

That on the operating division between Tacoma and Portland, Ore., being 144.63 miles in length, 101 miles of which is situate within the state of Washington, there are 209 curves, aggregating 43.29 miles in length; that there is 101.34 miles of straight track, and 53.37 miles of level track; that the ascending grades number 33, aggregating an ascent of 1312 feet, said ascending grades aggregating 37.67 miles in length; that there are 135 descending grades, making an aggregate descent of 1320 feet, said descending grades having an aggregate length of 53.59 miles.

That on the operating division between Auburn, Washington, and Seattle, Washington, being 22.13 miles in length, there are 19 curves, aggregating a length of 4.62 miles; that there is 17.51 miles of straight track and 7.30 miles of level track; that there are 5 ascending grades, making an aggregate ascent of 42 feet, having an aggregate length of 3.27 miles; that there are 5 descending grades, making an aggregate descent of 100 feet, having an aggregate length of 11.66 miles.

That on the operating division from Seattle to Sumas, being 125.92 miles in length, there are 255 curves, aggregating 41.17 miles in length; that there is 84.75 miles of straight track and 25.13 miles of level track; that there are 222 ascending grades, making an aggregate ascent of 1984 feet, with an aggregate length of 47.54 miles; that there are 170 descending grades, making an aggregate descent of 1859 feet, having an aggregate length of 53.25 miles.

That on the Twenty-third street line in Tacoma, Washington, being 1.95 miles in length, there are 5 curves, aggregating .55 miles in length; that there is 1.40 miles of straight track; that there is 1.10 miles of level track; that there is one ascending grade making an ascent of 5 feet, having an aggregate length of .85 miles.

That on the Colorado street line in Seattle, being 2.77 miles in length, there are 4 curves, with an aggregate length of .37 miles; that

there is 2.40 miles of straight track, and 1.76 miles of level track; that there are two ascending grades making an aggregate ascent of 2 feet, having an aggregate length of .32 miles; that there are 2 descending grades, with an aggregate descent of 6 feet, having an aggregate length of .62 miles.

That on that portion of the line extending from Marshall, Washington, to Lewiston, Idaho, being 138.76 miles in length, 97 miles of which is situate within the state of Washington, there are 415 curves, having an aggregate length of 60.22 miles; that there is 78.54 miles of straight track, and 12.32 miles of level track; that there are 50 ascending grades, making an aggregate ascent of 1908 feet, having an aggregate length of 49.48 miles; that there are 66 descending grades, making an aggregate descent of 1768 feet, having an aggregate length of 76.36 miles.

That on that portion of the line extending from Pullman to Genesee, Idaho, being 27.50 miles in length, 7 miles of which are situated within the state of Washington, there are 52 curves with an aggregate length of 10.80 miles; that there are 16.70 miles of straight track and 6.28 miles of level track; that there are 22 ascending grades, making an aggregate ascent of 479 feet, with an aggregate length of 17 miles; that there are 6 descending grades, making an aggregate descent of 186 feet, having an aggregate length of 4.22 miles.

That on that portion of the line extending from Belmont, Washington, to Farmington, Washington, being a distance of 5.88 miles, there are 14 curves, having an aggregate length of 1.54 miles; that there are 4.34 miles of straight track, and .10 miles of level track; that there are 2 ascending grades, making an aggregate ascent of 168 feet, having an aggregate length of 4.90 miles; that there is one descending grade, making a descent of 50 feet, having a length of .84 miles.

That on that portion of the line extending from Sunnyside Junction to Grand View, being 20.15 miles in length, there are 10 curves, with an aggregate length of 3.48 miles; that there is 16.67 miles of straight track, and 1.94 miles of level track; that there are 7 ascending grades, making an aggregate ascent of 175 feet, having an aggregate length of 11.95 miles; that there are 5 descending grades, making an aggregate descent of 78 feet, having an aggregate length of 6.25 miles.

That on that portion of the line extending from Cle Elum to Ronald, a distance of 5.41 miles, there are 21 curves with an aggregate length of 2.50 miles; that there are 2.51 miles of straight track; that there is one ascending grade, making an ascent of 474 feet, having a length of 5.41 miles.

That on that portion of the line extending from Palmer Junction to Meeker, being 33.57 miles in length, there are 40 curves, having an aggregate length of 6.94 miles; that there is 26.63 miles of straight track and 4.55 miles of level track; that there are 5 ascending grades, making an aggregate ascent of 109 feet and having an aggregate length of 3.51 miles; that there are 10 descending grades, making an

aggregate descent of 925 feet, and having an aggregate length of 25.41 miles.

That on that portion of the line extending from Kanasket to End of Track, being 14.79 miles in length, there are 61 curves, having an aggregate length of 6.65 miles; that there are 8.14 miles of straight track and 9.5 miles of level track; that there are 6 ascending grades with an aggregate ascent of 793 feet, and having an aggregate length of 9.18 miles; that there are 5 descending grades, making an aggregate descent of 279 feet, and having an aggregate length of 4.66 miles.

That on that portion of the line extending from Cascade Junction to Pittsburg, being 3.53 miles in length, there are 15 curves, having an aggregate length of 1.60 miles; that there are 1.93 miles of straight track; that there is one ascending grade, making an ascent of 166 feet and having a length of 3.53 miles.

That on that portion of the line extending from Cascade Junction, Wilkenzon and Fairfax, being a distance of 16.62 miles, there are 39 curves, having an aggregate length of 7.12 miles; that there is 9.50 miles of straight track and .97 miles of level track; that there are 9 ascending grades making an aggregate ascent of 281 feet and having an aggregate length of 15.34 miles; that there are 2 descending grades, making an aggregate descent of 7 feet, and having an aggregate length of .31 miles.

That on that portion of the line extending from Crocker to Wingate, being 5.44 miles in length, there are 44 curves, having an aggregate length of 3.05 miles; that there are 2.39 miles of straight track and .04 miles of level track; that there are 2 ascending grades, making an aggregate ascent of 376 feet and having an aggregate length of 5.40 miles.

That on that portion of the line from Orting to Puyallup, being a distance of 7.60 miles, there are 16 curves, having an aggregate length of 2.20 miles; that there is 5.40 miles of straight track; that there is one ascending grade, making an ascent of 353 feet and having a length of 7.60 miles.

That on that portion of the line from Woodinville to Sallal, being a distance of 39.19 miles, there are 94 curves, having an aggregate length of 12.93 miles; that there is 26.26 miles of straight track and 11.27 miles of level track; that there are 29 ascending grades, making an aggregate ascent of 874 feet and having an aggregate length of 20.84 miles; that there is 21 descending grades, making a total descent of 285 feet and having an aggregate length of 7.08 miles.

That on that portion of the line extending from Snohomish to Everett, being 11.41 miles in length, there are 29 curves, having an aggregate length of 2.78 miles; that there is 8.63 miles of straight track and 5.07 miles of level track; that there are 10 ascending grades, making an aggregate ascent of 65 feet and having an aggregate length of 1.72 miles; that there are 3 descending grades, making an aggregate descent of 125 feet and having an aggregate length of 4.62 miles.

That on that portion of the line extending from Arlington to Darlington, being 28.03 miles in length, there are 33 curves, having an aggregate length of 6.77 miles; that there is 21.31 miles of straight track and 2.33 miles of level track; that there is 12 ascending grades, making an aggregate ascent of 515 feet and having an aggregate length of 22.76 miles; that there are 5 descending grades, making an aggregate descent of 27 feet and having an aggregate length of 2.99 miles.

That on that portion of the line extending from Elma to Simpson, being 9.99 miles in length, there are 19 curves, having an aggregate length of 2.40 miles; that there is 7.59 miles of straight track and 3.20 miles of level track; that there is 3 ascending grades, making an aggregate ascent of 276 feet and having an aggregate length of 6.50 miles; that there is one descending grade making a descent of 13 feet and having a length of .29 miles.

That on that portion of the line from Lake View to Centralia, being 26.23 miles in length, there are 70 curves, having an aggregate length of 9.60 miles; that there is 46.83 miles of straight track and 16.03 miles of level track; that there are 29 ascending grades, making an aggregate ascent of 575 feet and having an aggregate length of 15.44 miles; that there are 31 descending grades, making an aggregate descent of 759 feet and having an aggregate length of 24.96 miles.

That on that portion of the line extending from Gate to Ocosta, being 53.04 miles in length, there are 50 curves, having an aggregate length of 12.42 miles; that there is 40.62 miles of straight track and 33.22 miles of level track; that there are 26 ascending grades, making an aggregate ascent of 147 feet and having an aggregate length of 6.45 miles; that there are 19 descending grades, making an aggregate descent of 258 feet and having an aggregate length of 13.37 miles.

On that portion of the line from Aberdeen Junction to Moclips, being 34.68 miles in length, there are 43 curves having an aggregate length of 8.58 miles; that there is 26.10 miles of straight track and 14.73 miles of level track; that there are 10 ascending curves, making an aggregate ascent of 142 feet and having an aggregate length of 9.84 miles; that there are 10 descending grades, making an aggregate descent of 403 feet and having an aggregate length of 10.11 miles.

That on that portion of the line extending from Cosmopolis Junction to Cosmopolis, being 1.81 miles in length, there are 9 curves having an aggregate length of .70 miles; that there is 1.11 miles of straight track and 1.49 miles of level track; that there is one ascending grade, making an ascent of 3 feet and having a length of .28 miles; that there is one descending grade, having a length of .04 miles.

That on that portion of the line from Chehalis to South Bend, being a distance of 56.68 miles, there are 91 curves, having an aggregate length of 19.80 miles; that there is 36.88 miles of straight track and 11 miles of level track; that there are 16 ascending grades, making an aggregate ascent of 609 feet and having an aggregate length of 25.10

miles; that there are 14 descending grades, making an aggregate descent of 777 feet and having an aggregate length of 20.58 miles.

That on that portion of the line extending from Kalama to Vancouver, being a distance of 29.81 miles, there are 46 curves, having an aggregate length of 8.59 miles; that there are 21.22 miles of straight track and 12.63 miles of level track; that there are 13 ascending grades, making an aggregate ascent of 76 feet and having an aggregate length of 13.07 miles; that there are 9 descending grades, making an aggregate descent of 49 feet and having an aggregate length of 4.11 miles.

That on that portion of the line extending from Vancouver Junction to Yacolt, a distance of 27.30 miles, there are 62 curves aggregating a distance of 8.65 miles; that there are 18.65 miles of straight track and 4.05 miles of level track; that there are 84 ascending grades, aggregating an ascent of 866 feet and having an aggregate length of 17.04 miles; that there are 44 descending grades, making an aggregate descent of 189 feet and having an aggregate length of 6.21 miles.

That on that portion of the line extending from Hartford to Monte Cristo, a distance of 42.12 miles, there are 159 curves, having an aggregate distance of 15.98 miles; that there are 25.14 miles of straight track and 4.23 miles of level track; that there are 107 ascending grades, aggregating an ascent of 2622 feet and having an aggregate distance of 55.7 miles; that there are 10 descending grades, aggregating a descent of 8 feet and aggregating a distance of 2.82 miles.

That on that portion of the line extending from Wickersham to Bellingham, a distance of 22.44 miles, there are 82 curves, aggregating a distance of 10.63 miles; that there is 12.11 miles of straight track and 9.01 miles of level track; that there are 29 ascending grades, aggregating an ascent of 266 feet and having an aggregate distance of 4.80 miles; that there are 41 descending grades, aggregating a descent of 519 feet and having an aggregate distance of 8.82 miles.

That on that portion of the line extending from Woodinville to Black River Junction, a distance of 24.11 miles, there are 51 curves aggregating 12.18 miles; that there are 11.93 miles of straight track and 4.60 miles of level track; that there are 5 ascending grades, aggregating an ascent of 40 feet and having an aggregate distance of 5.95 miles; that there are 9 descending grades, aggregating a descent of 132 feet and having an aggregate distance of 13.56 miles.

That on that portion of the line extending from Medical Lake to Davenport, Washington, a distance of 18.13 miles, there are 27 curves, aggregating 3.81 miles; that there are 14.32 miles of straight track and 3.05 miles of level track; that there are 7 ascending grades, aggregating an ascent of 272 feet and having an aggregate distance of 8.71 miles; that there are 8 descending grades, aggregating a descent of 247 feet and having an aggregate distance of 6.34 miles.

That on that portion of the said line extending from Oregon-Washington state line to Dayton, Washington, a distance of 98.05 miles, there

are 195 curves, aggregating 29.87 miles; that there are 68.18 miles of straight track and 6.44 miles of level track; that there are 18 ascending grades, aggregating an ascent of 2758.9 feet and having a distance of 55.45 miles; that there are 12 descending grades, aggregating a descent of 1999.3 feet and having an aggregate distance of 36.15 miles.

That on that portion of the line extending from Eureka Junction to Pleasant View, a distance of 19.73 miles, there are 12 curves aggregating a distance of 2.40 miles; that there are 17.33 miles of straight track and 3.39 miles of level track; that there are 10 ascending grades making an aggregate ascent of 448.2 feet and having an aggregate distance of 13.18 miles; that there are 6 descending grades, making an aggregate descent of 71.9 feet and having an aggregate distance of 3.16 miles.

That on that portion of the line from Mill Creek Junction to Tracey, a distance of 6.13 miles, there are 24 curves, aggregating 1.75 miles; that there is 4.38 miles of straight line; that there is one ascending grade making an ascent of 420.6 feet and having a distance of 6.13 miles.

That on that portion of the line extending from Port Townsend to Quilcene, a distance of 26.2 miles, there are 14 curves, aggregating a distance of 2 miles; that there are 24.20 miles of straight track and 2.20 miles of level track; that there are 2 ascending grades, making an aggregate ascent of 82 feet and having a distance of 2 miles; that there are 2 descending grades, making an aggregate descent of 82 feet and having an aggregate distance of 2 miles.

That on that portion of the line extending from Olympia to Tenino, a distance of 15 miles, there are 8 curves, aggregating 2 miles; that there are 13 miles of straight line and 12 miles of level track; that there are 2 ascending grades, making an aggregate ascent of 100 feet and having a distance of 3 miles.

#### No. 61.

That the Northern Pacific Railway Company employed upon its lines in the state of Washington, excluding general officers, the following named employees for the years hereinafter named, to whom it paid a total and average daily wage as follows:

## FOR THE YEAR 1905.

CLASS.	Num- ber.	Total days worked.	Total annual compensa- tion.	Aver- age daily wage.
Other officers.....	12	4,475	\$50,583 83	\$11 80
General office clerks.....	110	28,135	91,427 56	2 40
Station agents.....	134	48,963	111,896 60	2 20
Other station men.....	646	207,390	420,940 77	2 03
Enginemen.....	279	93,856	429,608 43	4 58
Firemen.....	279	93,856	239,568 58	2 55
Conductors.....	200	66,826	251,661 20	3 77
Other trainmen.....	596	197,078	517,494 25	2 63
Machinists.....	237	72,560	208,921 35	2 88
Carpenters.....	685	193,081	468,952 33	2 43
Other shopmen.....	632	199,345	471,308 22	2 36
Section foremen.....	233	83,208	160,144 82	1 92
Other trackmen.....	2,120	608,241	860,696 78	1 42
Switch tenders, crossing tenders and watchmen.....	94	35,864	51,649 58	1 44
Telegraph operators and dispatchers.....	209	65,782	166,154 97	2 53
All other employees and laborers.....	481	192,713	384,243 08	1 99
Employees floating equipment.....	28	10,619	26,516 24	2 50
<b>Totals.....</b>	<b>6,97</b>	<b>2,212,007</b>	<b>\$4,911,766 09</b>	<b>\$2 22</b>

## FOR THE YEAR 1906.

CLASS.	Num- ber.	Total days worked.	Total annual compensa- tion.	Aver- age daily wage.
Other officers.....	14	4,690	53,887 50	\$11 88
General office clerks.....	155	49,806	125,925 06	2 53
Station agents.....	147	49,802	114,829 88	2 30
Other station men.....	789	262,059	529,781 01	2 02
Enginemen.....	825	117,434	535,845 33	4 56
Firemen.....	825	117,434	298,214 38	2 54
Conductors.....	214	78,957	295,770 81	3 77
Other trainmen.....	732	256,802	665,653 09	2 60
Machinists.....	243	75,285	232,877 75	3 09
Carpenters.....	581	174,988	433,128 67	2 43
Other shopmen.....	709	239,870	542,498 20	2 26
Section foremen.....	254	85,586	163,378 57	1 91
Other trackmen.....	2,822	681,201	975,421 30	1 43
Switch and crossing tenders and watchmen.....	89	34,480	57,963 04	1 68
Telegraph operators and dispatchers.....	268	87,880	221,388 57	2 52
All other employees and laborers.....	569	209,013	434,825 90	2 08
Employees floating equipment.....	31	10,908	27,099 95	2 43
<b>Total.....</b>	<b>8,332</b>	<b>2,535,595</b>	<b>5,706,929 61</b>	<b>\$2 25</b>



## FOR THE YEAR 1907.

CLASS.	Num- ber.	Total days worked.	Total annual compensa- tion.	Aver- age daily wage.
Other officers.....	15	4,908	\$56,152 40	\$11 44
General office clerks.....	191	61,470	161,426 66	2 68
Station agents.....	160	55,366	133,451 50	2 41
Other station men.....	1,026	316,600	684,038 68	2 16
Enginemen.....	489	178,485	769,617 91	4 31
Firemen.....	489	178,485	292,257 66	2 76
Conductors.....	295	98,881	358,230 79	3 84
Other trainmen.....	965	309,147	853,221 79	2 78

## ADDENDA.

The table showing the wages paid to, the number of days worked by and the average compensation of employees found on page 192 is compiled from the report made to the Railroad Commission by the company. The Interstate Commerce Commission in its rules of instructions to the railroads provided that the number of employees should be determined "from the pay rolls on June 30th, 1908." The number reported probably does not include any employees not on actual duty on said date.

Other officers.....	15	4,908	\$56,152 40	\$11 44
General office clerks.....	185	70,720	185,566 28	2 62
Station agents.....	148	56,562	148,439 55	2 49
Other station men.....	826	339,898	726,778 98	2 14
Enginemen.....	225	108,911	594,146 44	5 72
Firemen.....	225	108,911	379,864 11	3 66
Conductors.....	190	85,661	349,688 16	4 08
Other trainmen.....	605	278,025	813,081 19	2 92
Machinists.....	267	91,775	299,624 78	3 26
Carpenters.....	545	227,510	608,157 46	2 67
Other shopmen.....	851	309,246	769,214 88	2 49
Section foremen.....	249	94,162	209,199 48	2 22
Other trackmen.....	1,944	708,830	1,170,489 13	1 65
Switch and crossing tenders and watchmen.....	105	88,826	66,434 80	1 71
Telegraph operators and dispatchers.....	265	112,082	298,394 45	2 66
All other employes and laborers.....	625	272,137	588,974 84	2 16
Employes floating equipment.....	31	11,368	29,975 98	2 64
Totals.....	7,305	2,914,047	\$7,808,284 88	\$2 51

**No. 62.**

From the consideration of the findings herein showing the amount expended for original construction of its lines, amount necessary to reproduce the property, its depreciated condition, the amount and value of its capital stock and funded indebtedness, the density of traffic and volume of business along its line, the physical condition and properties of its line, the facilities along its line for the transaction of business, and all land singular the findings hereinbefore set out, the Commission finds that the present cash market value of the lines hereinbefore mentioned and dealt with as being operated by the Northern Pacific Railway Company in the state of Washington, including the Port Townsend Southern Railway, the Washington, Central Railroad Company and the Washington & Columbia River Railway Company, is the sum of \$110,308,450.00; to which should be added the moneys expended for new construction, new equipment and betterments properly chargeable to capital account for the fiscal year ending June 30th, 1908.

**No. 63.**

That the operating division of the said railroad for the year 1906, in so far as the same affected the state of Washington, consisted of the Idaho division, extending on the main line from Trout Creek, Montana, westerly to Ellensburg, Washington, a distance of 403.60 miles, 286 miles of which are within the State of Washington, and 117.60 miles of which are outside of the state, the branch lines of said railroad embraced in said division being the branches connected with said line extending westerly from Trout Creek to a line drawn north and south through Ellensburg, consisting of 433.72 miles, of which 252.12 miles are within the state of Washington and 181.60 miles are outside of the state;

The Pacific division, extending on the main line from Ellensburg to Black River and thence southerly from Black River to Portland, Oregon, a distance of 312.12 miles, 272.96 miles of which are within the state and 39.16 miles of which are without the state and within the state of Oregon, the branch lines of said division including all the branches connected with said main line west of Ellensburg and south of a line drawn east and west through Black River, within the state of Washington and consisting of 356.73 miles, all of which is within the state;

The Seattle division extending on the main line from Black River to Seattle, a distance of 11 miles, all of which is within the state of Washington, the branch lines on said division including all the branches west of the Cascade mountains north of Black River and consisting of 303 miles, all of which is in the state of Washington.

**No. 64.**

That for the fiscal year 1906 the freight train miles on the main line of the Pacific division amounted to 1,155,377 miles, and the passenger train miles amounted to 1,008,608 miles. The freight train

miles on the branch line of said Pacific division amounted to 455,122 miles, and the passenger train miles amounted to 410,809 miles. The freight train miles on the main line of the Idaho division for said year amounted to 2,212,399 miles and the passenger train miles on such main line division division amounted to 1,173,936 miles, and the freight train miles on the branch line of said Idaho division amounted to 408,494 miles and the passenger train miles thereon amounted to 380,512 miles; the Seattle division consisting as aforesaid of 314 miles, 11 miles approximately of which while main line is largely within the yard limits of the city of Seattle, and for the purpose of these findings the entire division is treated as branch line division; that the freight train miles on said Seattle division amounted to 325,072 miles, during said time, and the passenger train miles amounted to 247,006 miles. That during the said time the freight car miles on the entire lines of the said company within the state amounted to 108,570,900 miles, of which 78,211,989 miles were loaded car miles and 30,358,911 miles were empty car miles, and the passenger car miles on said entire lines of said company during said time were 18,394,729 miles.

No. 65.

That during said year 1906 there was carried over the said main lines of the Idaho division 1,245,463,744 net ton miles of freight, and there was carried over the branch lines embraced within such Idaho division 58,787,786 net ton miles of freight; that during said time there was carried over the main line of the Pacific division 511,325,613 net ton miles of freight, and there was carried over the branch lines embraced within the said Pacific division 121,141,736 net ton miles of freight, and during said time there was carried over said lines embraced within the Seattle division 86,061,381 net ton miles of freight that during said time there was moved over the lines of the said company situate within the state of Washington 1,390,064,467 net ton miles of freight, leaving 632,715,793 net ton miles of freight moving over those portions of said operating divisions hereinbefore referred to outside of the limits of the state of Washington.

No. 66.

That proportionately the relation of passenger business to freight is greater on the branch lines than on the main line, and the proportionate expense between passenger business and freight business is greater on such branch lines than on the main line.

No. 67.

That in the practical operation of a railroad the power necessarily used in and expended in hauling the average passenger car as it is hauled when in service is practically the same as in hauling two average loaded freight cars or four average empty freight cars.

**No. 68.**

That the operating expenses charged to accounting divisions charged to portions of divisions according to state lines is made by said railroad company according to the rules adopted by it, a copy of which is hereunto annexed, marked Exhibit C and made a part of these findings.

**No. 69.**

That the cost of operating the Idaho division as shown by the accounting records of said railroad for the year 1906 was the sum of \$5,185,812 made up as follows: Maintenance of way and structures, \$1,267,292; maintenance of equipment, \$1,035,863; conducting transportation, \$2,497,830; general expenses, \$384,827; and of this expense \$4,194,878 was expended on the main line and \$990,913 was expended on the branches. That the cost of operating the Pacific division for said year was the sum of \$4,779,321, made up as follows: Maintenance of way and structures, \$945,086; maintenance of equipment, \$763,993; conducting transportation, \$2,549,984, and general expenses, \$320,257. That of this cost or expense the sum of \$3,437,716 was expended on the main line and the sum of \$1,161,604 was expended on the branch lines. That the cost of operating the Seattle division as shown by said accounting records for said year was the sum of \$1,414,628, made up as follows: Maintenance of way and structures, \$500,393; maintenance of equipment, \$131,901; conducting transportation, \$729,145; general expenses, \$53,189.

**No. 70.**

That the total cost or expense of operating all divisions touching the state of Washington for said year as shown by said accounting records was the sum of \$11,199,739, \$9,291,072 of which was charged to the lines within the state of Washington and \$1,908,667 was charged to the lines of such division outside of the state of Washington.

**No. 71.**

That of said sum of \$9,291,072 so expended within the state, approximately \$6,665,415 was expended in the interests of and in moving and transporting the freight traffic, and practically \$2,625,647 was expended in the interests of and in conducting the passenger department, which for the purpose of this finding includes mail matter, express, dining and sleeping cars, special passenger trains, baggage, storage, lunch stands, telephone and telegraph service.

That on the Idaho main line division the percentage relationship between the cost of conducting passenger and freight business was 22.84 per cent. passenger and 77.16 per cent. freight; on the Idaho division branch lines the percentage relation was 34.20 per cent. passenger and 65.80 per cent. freight.

On the main line Pacific division the said percentage relationship was 32.75 per cent. passenger and 67.25 per cent freight, while on

the branch lines of said Pacific division said relationship was 33.60 per cent. passenger and 66.50 per cent. freight.

That on the Seattle division such percentage relationship was 29.77 per cent. passenger and 70.23 per cent. freight.

Making an average relationship of 28.26 per cent. passenger and 71.74 per cent. freight on all the lines within the state.

#### No. 72.

That of the said tonnage and ton miles of traffic mentioned and specifically set out and described in finding No. 53 hereof, grain constituted 21.02 per cent. of the ton miles thereof. Of the state grain 20.8 per cent. of the tonnage moved over the Spokane and Palouse branch of the Idaho division and 66 per cent. thereof of interstate grain moved over the said branch lines of said state grain 19.9 per cent. of the state grain tonnage moved over the Washington Central branch; 19.4 per cent. of the said grain tonnage moved over the Washington & Columbia River railroad (now a branch of the Northern Pacific); 32 per cent. of the interstate grain tonnage moved over the said Washington & Columbia River lines; that 31.9 per cent. of the state grain tonnage originated and moved over the Idaho division main line and over the Pacific division main line; 2 per cent. of the interstate grain tonnage originated on and moved over the said Idaho division main line and said Pacific division main line.

That of the state tonnage and ton miles, lumber and shingles, constituting 42.3 per cent. of the ton miles, a great proportion thereof originated on branch lines and particularly on the Seattle division and the Pacific division branches. Of the state lumber tonnage originating on the Seattle division and on the Pacific division branch the average distance said lumber was hauled on each branch was 57 miles; of the state lumber and shingle tonnage originating on the main line and delivered to points on the main line, the average distance hauled over such main line was 158 miles; that of said state lumber originating on the main line and terminating on the branches and originating on the ranch lines and terminating on the main line, the average length of haul on the branches was 57 miles, and the average length of haul on the main line was 158 miles. Of such lumber 31.36 per cent. of the tonnage and 40.85 per cent. of the ton miles was between main line points; 48.90 per cent. of the tonnage and 22.85 per cent. of the ton miles was between branch line points, and 19.74 per cent. of the tonnage and 36.30 per cent. of the ton miles was between main line points and branch line points, and of such 36.30 per cent. of the ton miles last mentioned 70 per cent. was on main line and 30 per cent. thereof was on the branch line. That of the interstate lumber and shingles, 60.26 of the tonnage and 8.05 per cent. of the ton miles moved over the Seattle division and the Pacific division branch lines an average distance of 57 miles, and 97.20 per cent. of the tonnage and 88.67 of the ton miles moved over the main line an average distance of 390 miles

within the state, and 2.80 per cent. of the tonnage and 3.28 per cent. of the ton miles passing through the state moved an average distance over the main line of 501 miles within the state.

That of the said tonnage and ton miles logs and other forest products constituting 3.67 per cent. of the ton miles, moved principally over the Seattle branch, and those portions of the Pacific branches known as the Buckley, Grays Harbor and Vancouver branches, there being 96 per cent. of the state tonnage and 90.05 per cent. of the state ton miles moving over such branches with an average haul of 26 miles; said tonnage and ton miles last mentioned representing logs, the remaining tonnage and ton miles being other forest products consisting of wood, posts, poles and ties. That in hauling logs the empty car movement is practically equal to the loaded car movement, that the cars hauling such logs are loaded and unloaded with promptitude by the shippers and consignees.

That of the said tonnage and ton miles intrastate coal constituting 4.779 per cent. of the ton miles moved 79.67 thereof from main line points to main line points, 20.33 per cent. thereof moved from main line points to branch line points and from branch line points to main line points; that of said tonnage and ton miles interstate coal constituting 1.60 per cent. of the ton miles moved 87.69 thereof from main line points to main line points, and 12.31 thereof moved from branch line points to main line points and from main line points to branch line points. Of the shipments from main line points the branch line on state coal was 9.98 per cent. of the ton miles and the main line haul was 90.02 per cent. of the ton miles, and of the interstate coal the branch line ton mileage was 8.24 per cent. and the main line ton mileage was 91.76 per cent.; the ton miles from the Buckley branch on state coal was 61.45 per cent. branch line haul and 38.55 per cent. main line haul, while the interstate coal from said Buckley branch was 16.53 per cent. branch line haul and 83.47 per cent. main line haul. From Ellensburg 2.75 per cent. of the ton mileage on state coal was branch line haul while 97.25 per cent. was main line haul, and of the interstate coal from Ellensburg 9.67 per cent. of the ton mileage was branch line haul and 90.33 per cent. thereof was main line haul. The coal originating on the Seattle division was state tonnage. The empty car movement on state coal practically equals the loaded car movement. A small percentage of interstate coal has return loads of state and interstate grain.

That of the ton miles mentioned in finding No. 53 consisting of iron and steel articles, steel rails, machinery, fresh meat, packing house products, canned salmon, butter, eggs and cheese, cement and plaster, fresh fruit, beer and liquors, new furniture, hops and agricultural implements the great preponderance of ton miles on each of said articles being interstate, the average distance hauled outside of the state being greatly in excess of the average distance hauled over the lines within the state, the articles mentioned, with the exception of canned salmon and hops originating outside of and mov-

ing into the state, the interstate moving largely to the jobbing centers of Spokane, Seattle, Tacoma and Portland; said ton miles consisting almost wholly of shipments from such jobbing centers to points within the state and the movement of each of said articles being practically similar as to main line and branch line haul, empty car movement and net weight of contents of car, the relative cost of moving such articles state and interstate is practically the same on each of said articles and no peculiar or special conditions exist effecting the cost of service or the relative cost between moving state and interstate freight, other than as set out in finding No. 53.

That of said ton miles of state hay, approximately 20 per cent. thereof was on the Idaho division main line and 80 per cent. thereof was on the Pacific division main line. That of said ton miles of interstate hay approximately 95 per cent. thereof moved over the main line of the Idaho and Pacific divisions practically an equal distance over each division, and approximately 5 per cent. moved over the branch lines of the Idaho division. That no peculiar or special conditions effecting the cost of service or the relative cost between moving the state and interstate miscellaneous car load freight exists other than as set out in finding No. 53.

That of the ton miles of ore mentioned in finding No. 53 the great proportion thereof moved from points in Montana over the main line to Tacoma, being within the state practically all main line haul.

That less than car load shipments mentioned in finding No. 53 moved very largely state shipments from the shipping centers of Seattle, Tacoma and Spokane, to other points in the state on short hauls, whereas the interstate shipments moved very largely from Minnesota transfer and via Billings, Montana, to the jobbing centers above mentioned and consists of very long hauls. A large tonnage of interstate freight moved to and from Portland, Oregon, on a short interstate haul, which greatly reduces the average length of haul of this class of interstate freight both within and without the state. Considerable interstate shipments moved by water via Tacoma and Seattle, consigned to interior points. The same car leaving Spokane, Seattle or Tacoma containing less than car load freight carries both state and interstate freight for distribution along the line, merchandise shippers in Portland enjoying a large jobbing trade along the line of the Northern Pacific in southwestern and southeastern Washington. Peddler cars leaving Portland, Oregon, on local trains containing less than car load shipments for southwestern Washington, and particularly for points on Grays Harbor and South Bend branches, are consolidated at Chehalis and Centralia with peddler cars containing merchandise from Seattle and Tacoma destined to the same territory and such merchandise is then carried in the same train for distribution. Peddler cars containing merchandise in less car loads leaving Portland on through trains destined to points in eastern and southeastern Washington, such cars are so moved to Tacoma

and there the freight is reassembled with merchandise from Seattle and Tacoma destined to similar territory, or is carried in the same train as such Seattle or Tacoma merchandise and distributed at the points of destination. Approximately 12.90 per cent. of the expense incurred in handling freight business is chargeable to moving less than car load business while such freight represents but 4 per cent. of the ton miles, the larger proportion of this expense is incurred at the large terminals through employment of men engaged in handling such freight. The men so employed receive and check the interstate freight and prepare expense bills therefor; they receive, check into the cars and prepare bills for forwarding the state freight, and the difference in cost depends upon the volume of business state and interstate. That said state less than car loads moved over the lines in this state as follows: Five per cent. of the ton miles on the branches of the Idaho division, 35 per cent. on the main line of the Pacific division, 25 per cent. on the branch lines of the Pacific division, 15 per cent. on the Seattle division and 20 per cent. on the combined Idaho and Pacific division main line. That said interstate less than car load freight moved approximately 2 per cent. on the branches of the Idaho division, 5 per cent. on the branches of the Pacific division, 3 per cent. on the Seattle division and 90 per cent. on the combined Pacific and Idaho division main line.

#### No. 73.

That the average cost of moving a ton of freight one mile over the lines and branches as the same does move divided by the methods adopted by said company hereinbefore referred to, is as follows: On the main line of the Idaho division, .3118 cent; on the branch lines of the Idaho division, 1.3309 cents; on the main line of the Pacific division, .5426 cent; on the branch lines of the Pacific division, .7652 cent; on the Seattle division (considering all as branch and yards), 1.3853 cents; on the combined Pacific and Idaho division main line, .3790 cent; on the combined Seattle division and the branch lines of the Pacific division, 1.0228 cents. The average cost of moving a ton of freight one mile in the state by such company according to the method adopted by it is the sum of .4795 cent. That the figures in this finding hereinafter given as to the relative or percentage cost of moving the different commodities is the percentage relation which the cost of moving such commodity bears to the cost of moving the average ton above mentioned of .4795 cent. That the cost of moving a ton of state grain one mile as the same moves over the different lines and branches is .7892 per cent of the average cost of moving the average ton of freight one mile; that the cost of moving a ton of interstate grain over the lines in this state as the same moves is .7587 per cent. of the average cost aforesaid.

That the cost of moving a ton of state lumber in this state one mile is 1.3174 per cent. of the average cost aforesaid; that the



average cost of moving a ton of interstate lumber over the lines in this state is .6940 per cent. of the average cost aforesaid.

That the cost of moving a ton of state coal one mile is .9228 per cent. of the average cost aforesaid; that the cost of moving an average ton of interstate coal over the lines in this state is .8646 per cent. of the average cost aforesaid.

That the cost of moving a ton of state logs and other forest products one mile is 1.5535 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate logs and other manufactured forest products over the lines in this state is 1.2214 per cent. of the average cost aforesaid.

That the cost of moving a ton of state ore one mile is 1.7847 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate ore one mile over the lines in this state is .6648 per cent. of the average cost aforesaid.

That the cost of moving a ton of state iron and steel articles one mile is .9872 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate iron and steel articles one mile over the lines in this state is .7331 per cent. of the average cost aforesaid.

That the cost of moving a ton of live stock state is 1.2769 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate live stock one mile over the lines in this state is 1.0206 per cent. of the average cost aforesaid.

That the cost of moving a ton of state hay one mile is 1.2150 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate hay one mile over the lines in this state is 1.0440 per cent. of the average cost aforesaid.

That the cost of moving a ton of state salmon one mile is 2.5424 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate salmon one mile over the lines in this state is .7595 per cent. of the average cost as aforesaid.

That the cost of moving a ton of less than car load state freight one mile is 7.0342 per cent. of the average cost as aforesaid; that the cost of moving a ton of interstate less than car load freight one mile over the lines in this state is 2.0855 per cent. of the average cost as aforesaid.

That the car load freight not hereinbefore mentioned and consisting of practically .1442 per cent. of the ton miles can be grouped without materially changing the relative cost of moving the state and interstate business respectively. That of such remaining freight the cost of moving a ton of state freight one mile is .9862 of the average cost aforesaid, and the cost of moving a ton of such interstate freight one mile over the lines in this state is .8840 per cent. of the average cost aforesaid.

#### No. 74.

That the cost of operating the different divisions as shown by such rules adopted by said company and hereinbefore referred to

is ascertained by charging to such division, among other charges, the total expense of station employes, yard masters, and other clerks and railroad conductors and brakemen and all expenses incurred at such point irrespective of whether the service performed is for the benefit of freight moving over the entire line of said company. A car load of freight moving from Minnesota transfer to Seattle is discharged in Seattle and the entire cost of the terminal expense at Seattle is charged to the Seattle division although the freight moved over such division not to exceed 11 miles.

The cost of moving a car load is made up of the terminal expense at Minnesota transfer, the hauling charge and the terminal expense at Seattle, which divided by the miles hauled give the cost per ton mile of moving the car load. The terminal charge on interstate business, both received and forwarded, as well as the assembly charge on all forwarded freight originating on their main line or expensive branch lines in this state is by said rules charged to the cost of moving such interstate freight over the lines in the state of Washington, while the revenue derived therefrom and hereinafter referred to is credited as earnings to the state in the proportion which the miles such freight is carried within the state bears to the total miles such freight is carried. That by distributing the terminal charges on interstate freight received and forwarded, together with the increased assembly charges on the expensive branch lines, on forwarded interstate freight over one-half the total haul, which the Commission finds should be done, the cost of operating the lines in Washington properly applicable and chargeable to the cost of freight movement is reduced from \$6,665,415 to \$6,058,619.

**No. 75.**

That of said sum of \$6,058,619 expended in handling the freight traffic handled over the lines of the Northern Pacific railroad in the state of Washington, \$2,340,892 thereof was expended in handling and for the benefit of the intrastate freight, and \$3,717,717 was expended in handling and for the benefit of the interstate freight moving over such lines. That of said \$2,625,647 above mentioned as expenses incurred in the passenger department, \$366,070 was expended in moving mail and express matter and baggage, and in operating dining cars, sleeping cars, lunch counters, telegraph and telephone, leaving \$2,259,577 properly chargeable to passenger service or against passenger revenue.

That of said sum of \$366,070 expended as aforesaid the sum of \$142,418 was incurred in handling express business, of which \$86,379 was incurred in handling intrastate express and \$56,039 was incurred in handling interstate express, the sum of \$93,148 was expended in handling mail matter, of which \$40,305 was incurred in handling intrastate mail, and \$52,843 was incurred in handling interstate mail, and the sum of \$34,280 was incurred in handling excess baggage and in storing baggage, of which \$18,870 was incurred in handling intrastate baggage and \$15,410 was incurred in handling interstate

baggage; the sum of \$18,779 was incurred in conducting lunch stands and special trains, all of which was expended on intrastate business; the sum of \$71,623 was expended in operating sleeping, dining and combined observation and grill cars, of which \$33,441 was expended on intrastate business and \$38,182 was expended on interstate business; the sum of \$5,821 was expended in the operation of telephone and telegraph service, all of which was incurred in the state business.

**No. 76.**

That of said sum of \$2,259,577 expended in handling and for the benefit of the passenger business, \$836,947 was expended in handling and for the benefit of the intrastate passenger business and \$1,422,630 was expended in the handling and for the benefit of the interstate passenger business moving over its lines.

**No. 77.**

That in these findings the term "revenue derived from state business" means the gross receipts from freight and passengers carried on a continuous contract wholly within the state, and "revenue derived from interstate business" means the receipts derived from freight and passengers carried under continuous contract where a portion of the carriage is outside the state, and such terms are used in referring to the earnings from intrastate and interstate traffic with reference to the definition hereinbefore given of intrastate and interstate traffic respectively. In ascertaining the revenue earned over or by the lines in this state on interstate business the same method has been used by the Commission as is used by the Northern Pacific Railway accounting department, to-wit, ascertaining the total gross earnings of the company on the item of freight moved or passengers carried and crediting to the state of Washington, as earnings over the lines in this state from such interstate business in the proportion that the freight or passenger mileage within the state bears to the total miles the freight or passenger was carried over the company's lines. Revenues derived from mail matter were apportioned, state and interstate, as follows: The earnings from mail cars moving partly within and partly without the state and from mail routes partly within and partly without the state, was ascertained and the earnings apportioned to the lines within the state on a mileage prorate; to this was added the earnings of said company from mail cars moving entirely within the state and from mail routes locally and entirely within the state; fines and penalties imposed by the government were deducted and the net gross receipts allocated state and interstate in the proportion that the average weight of the state mail carried over the said lines and routes bears to the average weight of interstate mail carried over the same lines and routes.

Revenue derived from express was apportioned state and interstate as follows: Receipts from all interstate express business were credited to the state as interstate earnings on a mileage prorate; all

earnings on strictly state express was credited to the state as state earnings.

Revenue derived from baggage storage and excess baggage collections were apportioned state and interstate as follows: All revenue derived from baggage storage was credited to state earnings; excess baggage collections within the state were allocated state and interstate in proportion to the passenger earnings within the state, state and interstate.

Revenue derived from miscellaneous earnings were credited to the state earnings with the exception of rents from commercial property and interest on bank balances, which were not taken into consideration or considered as earnings of the road, as all commercial property was excluded in ascertaining the value of the railroad's investment.

**No. 78.**

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in this state on state and interstate business for the year 1905, excluding rents from commercial property and interest on bank balances, was the sum of \$13,951,353, while for such period the operating expenses as shown by the accounting records of such company was the sum of \$7,889,393, which sum, however, includes terminal and assembly charges incurred within the state as shown and referred to in finding No. 74.

**No. 79.**

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in the state on interstate and state business for the year 1906, excluding the revenue from commercial property and interest on bank balances, was the sum of \$18,013,230, while the operating expenses for the same period was the sum of \$8,684,256 as before stated.

**No. 80.**

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in the state for the year 1907, excluding revenue from commercial property and interest on bank balances, was the sum of \$19,674,333, while for such period the operating expenses as shown by the accounting records was the sum of \$11,694,333, which sum, however, includes all terminal and assembly charges incurred within the state on the interstate business as shown and referred to in finding No. 74, and also includes increased expenditures in maintenance of way and structures over the preceding year of approximately \$1,500,000 necessitated by unprecedented floods and washouts, which floods and washouts also added greatly to the cost of conducting transportation over normal conditions.

**No. 81.**

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad company in the state for the

fiscal year ending June 30, 1908, including the revenue from commercial property and interest on bank balances, as the sum of \$21,331,857, exclusive of sleeping, parlor, chair and dining cars and hotels and restaurants, while the operating expenses as shown by the accounting records of said company was the sum of \$11,564,772, which sum, however, includes all terminal and assembly charges incurred within the state on interstate business as shown and referred to in finding No. 74.

**No. 82.**

That of said sum of \$18,013,230 earned by said company for the fiscal year ending June 30, 1906, \$8,351,886 was revenue received from state business and \$9,387,525 was revenue received from interstate business.

**No. 83.**

That of said sum of \$21,331,857 earned by said company for the fiscal year ending June 30, 1908, \$11,761,643 was revenue derived from state business and \$9,570,214 was revenue derived from interstate business. That during the fiscal year ending June 30, 1908, and on or about the first day of November, 1907, said company promulgated and put in force a tariff increasing the rates on interstate lumber very materially and in many instances exceeding 20 per cent. increase. That proceedings were instituted by the lumber interests of the state before the Interstate Commerce Commission and before the courts challenging the reasonableness of said increase and to enjoin its collection. That by reason of the existing conditions the interstate shipments on lumber were very greatly reduced during the balance of said fiscal year and the gross earnings from interstate business over the lines in this state greatly reduced over what they would have been under normal conditions in the lumber traffic.

**No. 84.**

That while the volume of business has increased each year since 1905, the percentage relation between the commodities moving state and interstate as shown and set out in finding No. 53, which by said findings is confined to the year 1906, has remained practically the same under normal conditions and the percentage relation in said finding set out showing the movement of the different commodities state and interstate is the average percentage relation under each of the years 1904, 1905, 1906, 1907 and 1908. That during the fiscal years 1904, 1905, 1906, 1907 and a part of 1908, up to the first of November, 1908, fir lumber was carried from Puget Sound to St. Paul, Minneapolis and Duluth and intermediate points east of Billings, Montana, for 40 cents per hundred pounds and cedar shingles at 50 cents per hundred pounds, and from Puget Sound to Omaha and other Missouri river points, fir lumber was carried for 50 cents per hundred pounds and cedar shingles for 60 cents per hundred pounds, the price on lumber and shingles to all points east and beyond Duluth and St. Paul to all points southeast and beyond Omaha being fixed with reference to such 40-cent and 50-cent charge on

lumber and such 50-cent and 60-cent charge on shingles respectively. That more than thirty days prior to the first day of November, 1907, said railroad filed with the Interstate Commerce Commission and posted a tariff to become effective on the first day of November, 1907, by which the 40-cent rate above mentioned on fir lumber was increased to 50 cents, and the 50-cent rate on fir lumber above mentioned was increased to 55 cents, and the 50-cent rate on shingles was increased to 60 cents and the 60-cent rate on shingles was increased to 65 cents. As before stated complaint was filed before the Interstate Commerce Commission challenging the reasonableness of such increase in rates, resulting, after a full hearing, in the Commission fixing the following maximum from Pacific coast points to St. Paul, Minneapolis, Duluth and intermediate points east of Billings, on firm lumber, 45 cents per hundred pounds; from the Pacific coast to the territory last mentioned, on shingles, 55 cents per hundred; leaving the old rate from Omaha and other Missouri river points of 50 cents on fir lumber and 60 cents on cedar shingles as a maximum, and further provided that said rates should remain in force, without being increased for the term of two years. That the maximum rates so fixed have been charged since such hearing. That an action has been commenced by said railroad in the Circuit Court of the United States for the district of Minnesota to review the maximum fixed by the Interstate Commerce Commission on the ground that said maximum rates are so low as to amount to a confiscation of the property of said railroad, which action is still pending. That of the lumber and shingle tonnage carried by said railroad over its lines hereinbefore set out 59.85 per cent moves to St. Paul, Minneapolis, Duluth and points east and beyond and to intermediate points east of Billings.

That on or about the 23rd day of October, 1908, said railroad issued its transcontinental west bound tariff superseding the tariff then in force which tariff becomes effective January 1st, 1909, by which the rate on freight from eastern points is generally advanced and raised over what said rates have been since long prior to 1905, the advance in such westbound freight being approximately as follows:

On reapers, mowers, headers, mower knife grinders, harvesters, hay teders, hay rakes and extra parts for same; hay presses (including horse powers for same) and extra parts thereof; horse rakes, horse hay forks, hay carriers, hay loaders, hay slings, sweep rakes and hay stackers and extra parts for same; land rollers and soil pulverizers; manure spreaders and extra parts for same; threshers (including clover hullers and straw stackers), tank wagons, engine power on its own wheels and horse powers for the same, and extra parts thereof; harrows, disc harrows, with seeder attachments, plows, cultivators, combination hand cultivators, seed drills, corn planters and potato diggers and extra parts for same; seed drills, including beat drills and extra parts for same; stump pullers and extra parts for same; iron wheels for cultivator implements; shovels, spades and scoops in packages in carloads;

cotton bags in bales or trusses; in carload lots; beans and peas dried, split or whole, in sacks or barrels in carload lots; billiard tables (including toy billiard tables), K. D. slates or marbles, cues, cue racks, ball racks, composition pool or billiard balls, composition shake balls, shake bottles, pin pool boards, billiard marker buttons, billiard bridges, billiard cue tips, billiard chalk and billiard table covers; traction engines, cylinder water wagons or tank wagons in mixed carloads with traction engines; ginger ale, root beer and carbonated beverages (not alcoholic) mineral water in glasses or stone, boxed or in barrels or in bulk or in kegs or casks in L. C. L.; cider mills, bark mills, bone mills, corn, feed and paint mills, in less carloads; fish netting (cotton) in L. C. L.; ochre in packages in less carloads; hand pumps, not including bicycle pumps, force pumps made of iron or wood (not rotary) with or without brass valves and cylinders, drive well points and strainers and parts thereof; hydraulic rams, hand spray pumps, hand spraying machines, and knapsack sprayers in carload lots; car wheels and axles, in carload lots; rice polish (rice rust) rice bran or rice hulls in packages in straight or mixed carload lots; rubber boots and shoes including tennis shoes boxed in less carloads; drag scrapers, sheep dipping liquid, boot trees and clamps, eyelets, shoe buckles, shoe hooks, metal shoe horns (not gold or silver plated) and shoe button hooks; shoe buttons, shoe pegs; school slates in less carloads; stitching horses K. D. boxed or crated; stone, rough, sawed or cut to dimensions and not polished; instructive toys for use in kindergartens made in wood and paper; toy games; toy books, toys, tin lead or iron; toy musical instruments, toy torpedoes, and toy caps in boxes or barrels; toy trumpets, boxed or crated; toy furniture, not including children's furniture; trucks (store and warehouse, including baggage wagons), baggage barrows K. D., dollies and dry kiln and lumber trucks; farm wagons and common dump carts, dump wagons, and hand or push carts; lumber buggies and extra parts thereof; wind mills and parts of same including tanks and towers wood or metal, windmill pumps, and pipe necessary to connect pump heads and cylinders; approximately 8%.

On all articles taking class A rates specified in western classification under the head of agricultural implements (not including hand implements, farm wagons, trucks or gasoline engines) and also under the head of agricultural implements and parts thereof in straight or mixed carloads; feed and ensilage cutters, including horse powers, carriers, blowers or elevators for same; smut machines, fanning mills or grain cleaners and extra parts of same; barley forks (wooden), potato forks, hay or manure forks, spading forks, hoes, wooden or iron rakes, scythes and snaths; potato sorters and potato diggers; bitters in glass, packed in wood in carload lots; blowers, forges and drills when crated, approximately 7½%.

On drain cleaners in packages; mower knife grinders, boxed or crated; shovels, spades and scoops in packages in less carloads, cotton bags in bales or trusses in less carloads; baking powder and baking

powder compound boxed in less carloads; rubber belting in less carloads; leather belting in less carloads; carpets N. O. S. art carpet, rugs (invoice value not exceeding \$100.00 each); carpet lining in rolls or compressed in bales in less carloads; cream of tartar in boxes in less carloads; creosote in tank cars; cotton piece goods in the piece (28 commodities specified) in less carloads; hemlock bark extracts in less carloads; oak bark in barrels or sacks in less carloads; glassware except cut, N. O. S. (in boxes or barrels) in less carloads; grind stones (and frames) mounted or unmounted; hollow ware of cast iron, plain or enameled including pots, kettles, skillets, spiders, Scotch bowls, etc., in less carloads; anvils or anvils and vises combined in carload lots; steel balls (rough or forged), bar and slab iron up to and including 6 inches in width, wrought, hoop or band iron, in carload lots; boiler iron, plate and sheet iron, N. O. S. not bent or punched; bolts, nuts, washers, nut locks, rivets, lag bolts and lag screws in carload lots; iron or steel box straps in carload lots; iron and steel butts and hinges in carload lots; castings N. O. S. in no way hand or machine finished except being drilled with bolt holes; iron conductor pipes, eave troughs, elbow and trough hangers for same in less carloads; forgings, rough, not further finished than being drilled with bolt holes not over 32 feet in length and weighing less than 6,000 pounds; iron and steel hasps, hooks, hoop keeps, staples and lap links in boxes in carload lots; wooden screws N. O. S. in boxes or kegs in carload lots; saleratus and bi-carbonate of soda and soda carbonating compound in less carloads; shafting, finished, with hangers, collars, couplings, cranks and crank shafts in less carloads; iron and steel horse, mule and ox shoes, including toe chinks in boxes or kegs in carload lots; sucker rods in packages in carload lots; telephone, telegraph and electric poles, cross arms and cross arm braces for same in carload lots; telephone and telegraph pole steps in packages in carload lots; baling ties in packages in carload lots; lamp fixtures (not electric) in boxes, barrels or casks, including glass, plain or decorated, not exceeding a net cost of \$3.00 per dozen, in less carloads; lanterns (not including magic, paper or toy lanterns), in boxes, barrels, casks or crates in less carloads; liquors as follows: alcohol, including wood alcohol, high wines and pure spirits, in bulk in barrels or drums, carriers' liability limited to \$2.00 per gallon measurement, unless actual value is less, in carload lots; matches in paper or wooden boxes, packed in metallic or wooden cases in less carloads; matting, mats and rugs, rubber (including rubber bindings), paper, cocoa, straw, coir, corn, jute, grass, hemp and rope in packages; mining car wheels, with or without axles, nails, spikes, wire fence; horse nails in boxes in carload lots; cement coated nails in boxes or kegs in carload lots; packing N. O. S., including rubber packing; white or red lead or litharge, dry or in oil in cans (packed in boxes or barrels) or in barrels, casks, kegs, kits, boxes or iron drums; powder keg material boxed, in carload lots; preservaline and salvaline; meat preservaline in packages; hand pumps



(not including bicycle pumps), force pumps made of iron or wood (not rotary), with or without brass valves or cylinders and parts thereof when boxed, hydraulic pumps, in less carloads; rice, rice flour, rice meal, rice flakes or flaked rice and broken rice, in carload lots; rubber springs in packages; saddle trees; sad irons (not including electric, gas, gasoline, or charcoal), and handles for same in carload lots; scales and scale beams N. O. S., not including computing scales, goff weighing scales or assayers' scales or apothecaries' scales, in less carloads; wire, iron, plain, galvanized, tinned or coppered, in carload lots; drag scrapers in less carloads; silicated cloth (for blackboards), school slates, boxed, in carload lots; sledges, wedges and mauls, iron or steel in boxes, in carload lots; tinware, nested solid; window curtain poles, iron, plain or washed with brass; barbed wire, wire for fencing, including staples and steel stayguards and stretchers; wire fencing in rolls (including not to exceed 12 stretchers, also including, if desired, staples, steel stayguards, and wire fence gates), and coarse wire netting for fencing, in packages, in less carloads; wooden mats and flooring; approximately 6%.

On hay rake teeth, in less carloads; wire cloth and netting, boxed, in carload lots; ginger ale, root beer, carbonated beverages (not alcoholic), also mineral water in glass or stone boxes, in barrels or bulk, in kegs, barrels or casks, in carload lots; champagne in boxes or baskets; mining cars and dump cars, or parts thereof, also turn tables, portable trucks for same, loaded on standard gauge cars; toilet water (not including perfumery); wind mills, K. D., in packages, wind mill and tank towers in packages; wall coating and wall finish N. O. S., in carloads; glue in boxes, barrels or kegs; approximately 12%.

On plow beams, iron or steel, plow points, shares, lays and wings or mold boards, also plow and harrow discs, cultivators, shovels, road scrapers, blades, iron or steel in less carloads; potato sorters and potato diggers in mixed carloads; bath tubs, water closet bowls, and cisterns, urinals, wash bowls, including stands, K. D. stationary wash tubs, cast iron or seamless steel, plain, painted, and galvanized; granite lined or porcelain lined bath tubs, cast iron, plain, painted, galvanized, porcelain lined, in straight carloads; bitters in glass, packed in wood; blowers, forges and drills, crated; wine, beer, whiskey or brandy bottles (not including druggists' prescription bottles and bottles of similar shape), common soda water bottles (not siphon), in bulk or in boxes, casks or crates; lumber trucks and hand or logging cars; glass globes and chimneys for lanterns in boxes, barrels or crates, also glass lamp chimneys packed in double faced corrugated past board boxes (subject to restrictions); road scrapers and road machine grading plows, land graders and street rollers in carload lots; crackers, matzos or matzos meal, cakes, fruit biscuit, pretzels, toast and shredded wheat biscuit, in boxes or barrels or in baskets or tubs, with tight wooden covers or in tin cans, or in paper cartoons; machinery for creamery and

cheese factories and parts thereof; medicines and chemicals, medicinal oils, witch hazel, medicinal and flavoring extracts and dye stuffs, N. O. S., in packages, medical and surgical plasters, surgical dressings and absorbent cotton, boxed; cotton buck and denims in less carload lots; cotton drills, cotton sheetings and cotton bagging bleached or unbleached, in less carloads; enameled cloth and table and shelf oil cloth and covers, boxed, in less carloads; wigans, window shades, cloth or hollands uncut and undecorated, in less carloads; dynamos and electric motors and parts; extracts of beef and tomato bouillon, boxed in carload lots; extract of coffee in boxes, in carload lots; root beer, ginger ale, and extract of lemonade, in carload lots; baby food, prepared, including malted milk and milking, in boxes, in carload lots; sanitarium foods, N. O. S., in carload lots; corrugated furnace or flues for marine boilers; egg beaters, files, corn poppers, traps, including 12 commodities; structural iron grouping; steam boilers under 30 feet in length and fire brick for use in same; shafting, finished, including hangers, collars, couplings, cranks and crank shafts, in carload lots; plain shafting, without connections; tanks, including enameled or glass lined tanks, N. O. S.; locomotives and tenders, on flat cars (subject to rule 12); machinery and machines taking class A rate specified under machinery and machines in Western Classification, including truss hoops, shingle machines, iron link belting, roller mills, pulley clutches, iron shafting, steam and oil separators, steam traps, cast iron exhaust heads, iron valves, water jackets for cylinders, iron gear wheels, windlasses, winches, ship steerers, beer pasteurizers, drag saws, with steam or horse power attachments, and stamp mill mortars, straight or mixed; meters, N. O. S. (except electric), boxed or crated; cider mills, bark mills, bone mills, grain, feed and paint mills in carloads; mosquito netting and netting in boxes or bales; oil well supplies; plaster (land), in packages, in carload lots; force pumps, steam, electric or other power, N. O. S., combined brass and iron, and parts thereof; spraying pumps (hand power); quicksilver flasks, in carload lots; railway supplies for steam or electric railways and air brake equipment, chairs, track braces, etc.; refuse burner material, with castings for grate bars, stands, draft doors and frames and spelt bottom (opening for refuse); rubber clothing, including mackintoshes or garments of similar character, and rubber gloves and soft rubber hats, boxed, in less carloads; circular saws, mill saws, cross cut saws and drag saws, on boards or boxed; saw blades in packages and band saws crated, in less carloads; scouring, washing and polishing compounds, N. O. S. (not including liquid compounds except in tin cans), also washing crystals, in carload lots; alfalfa, beet, clover, hemp, flax, garden, sunflower and sorghum seed, in less carloads; sewing machines and component parts, in boxes or crates, in carload lots; stills, oil refining and cooling tanks for same, in carload lots; tricycles, velocipedes, childrens', K. D. crated or boxed, in carload lots; childrens' toy wagons, toy wheel barrows, in mixed carloads; washing machines, including dish washing machines, boxed or crated, in carload lots; approximately 7%.

On plow points, shares, lays, wings, mold boards, also plow and harrow discs, cultivator shovels, road scraper blades, iron or steel, in carload lots; ales, beer and porter, in wood or in glass, packed, in carload lots; baking powder and baking powder compound, in carload lots; bath tubs, water closets, bowls, cisterns, urinals, wash bowls, including stands, K. D., stationary wash tubs, cast iron, plain or painted, galvanized, granite lined or porcelain lined, in less carloads; beer, beer tonic, malt extract, liquid bread, in glass or stone, packed or in wood (subject to estimated weights provided in western classification), in carload lots; boots and shoes, N. O. S., in less carloads; knobs for furniture, locks and pictures, and sash locks and fasteners, in less carloads; toys, boxed, including marbles, toy alphabets, building blocks, banks and toys, N. O. S., in less carloads; tricycles and velocipedes, childrens', K. D., in less carloads; bottles and flasks, glass, N. O. S., in less carloads; mucilage bottles, empty, with caps and brushes, in less carloads; wire cloth and netting, boxed, in less carloads; carpet lining in rolls or compressed in bales, in carload lots; brick dryer cars, including dry kiln trucks, turn tables and transfers for same, in carload lots; creosote oil or tar oil, in bottles or in tin cans or in barrels, in carload lots; cotton piece goods in the piece (28 commodities), in carload lots; enameled cloth and table and shelf oil cloth and covers, boxed, in carload lots; window shade cloth or Hollands, in the piece, uncut and undecorated, in carload lots; bedsteads, iron or brass, folding beds (iron), cribs, iron, institution beds (iron), K. D., in carload lots; matches in paper or wooden boxes, packed in metallic or wooden cases, in carload lots; resin in barrels, in carload lots; pitch and tar, in carload lots; soda ash, soda crystals, caustic soda, hyposulphite and nitrate and sulphate of soda, chloride of lime, in kegs, in carload lots; approximately 10%.

On arsenate of lead, in packages, in less carloads; extract of beef and tomato bouillon, boxed, extract of coffee, in less carloads; extract of root beer, extract of ginger ale and extract of lemonade, in less carloads; sanitarium food, in less carloads; hollow ware, agate, granite and enameled (including nickel, aluminum or britannia trimmed), boxed, in less carloads; insect poisons, in less carloads; sheet iron, No. 12 and lighter (black or galvanized, but exclusive of planished or Russian), not bent or punched, corrugated, N. O. S., including ridge rolls, roofing and siding, straight or mixed carloads, in carload lots; mince meat and pie preparations, in pails or tubs when packed in boxes, crates or barrels, in kits or kegs in less carloads; ochre in packages, in less carloads; paints in carload lots; cyanide of potassium in boxes, in less carloads; spray pumps, spraying machines, hand, made of brass, in less carloads; broken rice and brewers' rice, in packages, in less carloads; toilet water (not including perfumery), in less carloads; refuse burner material, namely; castings for grate bars, stands, draft doors and frames, spelt bottom, plate iron, rolled and pinched, angle bars, rivets, bolts, sprocket wheels, chains, and not to exceed 4,000 pounds of wire

cloth to each burner, in carload lots; rice polish (rice dust), rice bran or rice hulls, in packages, in less carloads; road scrapers, road machines, grading plows, land graders and street rollers, in less carloads; tarred rope and tarred cordage, in carload lots; stove pipes, iron (cut to shape), nested solid, boxed or crated, in carload lots; syrup (corn, glucose, malt, maple and rock candy) and molasses, glucose in barrels, glucose jelly in barrels, kegs, kits or pails, in carload lots; iron tacks, N. O. S., in boxes, kegs or barrels, in carload lots; twine and cordage, namely, cotton, flax, hemp, jute, fleece, sail, spring, sisal, Manila and cotton seine twine and cordage, and fish netting (cotton), in bales, boxes or barrels, and rope of all kinds, in carload lots; binding twine for harvesters, varnish in barrels or in cans, boxed, in straight carloads or in mixed carloads, with paints; approximately 5%.

On leather belting, in carload lots; rubber or cotton belting, in carload lots; street cars, with or without motor attachments, loaded on flat cars, in carload lots; extract of hemlock bark, in carload lots; oak bark extract, in carload lots; cream of tartar, boxed, in carload lots; wooden file cabinets (including stands therefor, with or without letter or document files), in less carloads; glassware (except cut), in carload lots; grapes, in packages, in carload lots; iron service cocks, in boxes or barrels, and iron service boxes and stopcock boxes, in less carloads; barn and parlor door hangers, including track for same, in less carloads; iron vises, in boxes or barrels, in less carloads; iron hooks, ice tools, iron corners for trunks, pulleys, registers, wrenches and similar articles, including 80 commodities; chains, sash, cross cut saw handles, logging chains, coffee mills, fruit presses, tree pruners, sadlery hardware, plain or nickel plated, door and window springs, and similar articles covering 43 commodities; hollow ware of cast iron, plain or enameled, including pots, kettles, skillets, spiders, Scotch bowls, in carload lots; anvils or anvils and vise combined, in less carloads; awning rods and holders, in boxes, barrels or crates, in less carloads; carriage and wagon axle boxes, in less carloads; clevises, in boxes or barrels, in less carloads; conductor pipes, eave troughs and eave trough hangers for same, in carload lots; glass lamps and fixtures, plain or decorated (not electric), not costing to exceed \$3.00 per dozen, packed in boxes, barrels, in carload lots; gas or electric lamp shades or globes, common pressed or blown glass, in carload lots; lanterns (not including magic, paper or toy lanterns), in boxes, barrels or casks, in carload lots; cyanide of potassium, in packages, in carload lots; wood pulp, in packages, in less carloads; rice, broken rice and brewers' rice, in packages, in carload lots; rubber clothing (not including mackintoshes and garments of similar character), and rubber gloves and soft rubber hats, boxed, in carload lots; rubber packing in straight carloads or mixed with rubber packing and rubber belting, in carload lots; rubber corks; saleratus and bicarbonate soda and soda carbonating compound, in carload lots; salt, in carload lots; scales and scale beams, N. O. S. (not including computing scales, gold weighing scales nor assayers'

or apothecaries' scales), all fragile parts boxed or crated, in carload lots; the following ship chandlery: ship building hardware, such as clews, thimbles, eye bolts, bolts, hooks, ring bolts, rowlocks, shackles, and mast hoops, in less carloads; oars, both carloads and less carloads; pulleys and blocks, in less carloads; windlasses (not steam), in less carloads; the following shoe findings, boot and shoe heels (leather or rubber), or wood, covered with leather, soles (leather or rubber), and shoe counters, in less carloads; shoe rivets, in boxes or kegs; in less carloads; wire staples for button fastenings, in boxes or kegs, in less carloads; bob sleds; spiral bed springs, in boxes or casks, in less carloads; wire springs, N. O. S., in boxes or casks, in less carloads; the following stamped ware: agate or enameled, also granite ironware, N. O. S., in boxes, barrels or crates and stamped ware N. O. S. in boxes, barrels or crates, in carload lots; whetstones or scythe stones and sand stones, in less carloads; tin foil, in packages, in less carloads; tinware, in carload lots; sheet iron tubes, one inch in diameter; type, boxed, in less carloads; approximately 9%.

On brass valves, in carload lots; building cement or paving cement, in packages, in carload lots; cement work for building purposes; the following furniture: from machine or bench, unfinished, in the white, not mahogany, rosewood, ebony, black walnut or cherry, also wood seats for chairs, perforated or unperforated, unfinished, in the white; cast iron pipe and cast iron connections for the same, in less carloads; leather in boxes or rolls as follows: bellies, collars, heads, pieces, harness, rough, scrap (in sacks), tufts (in sacks), seal shirting, sole, splits, tanned goat skins (without hair), tanned sheep skins (without wool), walrus; branding and New England rum in bulk, in barrels or drums, carriers' liability limited to \$1.50 per measurement gallon, unless actual value is less, in less carloads; billets, blooms, ingots, muck bar and scrap steel, in carloads; gin in bulk, in barrels or drums, carriers' liability limited to \$1.50 per gallon, unless actual value is less, in less carloads; looking glasses, framed or unframed, and looking glasses, boxed, in carload lots; ferules, combination brass and iron, in less carloads; pickles, N. O. S., including kraut, catsup, table sauce, N. O. S., mustard, prepared, olives, pepper sauce, vinegar in bottles (packed) or in wood, horse radish and capers, in less carloads; soap-stones, slabs and griddles, boxed, in less carloads; approximately 20%.

On china and majolica ware, not including ornaments, in boxes, barrels or casks, in less carloads; cotton seed oil foots for soap stock, in barrels or sacks; crockery, not including ornaments or plumbers' crockery, and queensware, in boxes, barrels, tierces, crates, or hogsheads, in less carloads; earthenware (including earthenware jardinières), packed in boxes, barrels, crates, casks or hogsheads, in less than carloads; faucets, pewter, in boxes or barrels, in less carloads; sheet iron punched for rivets, in crates or bundles, strapped or in boxes, in less carloads; wood pulp, in packages, in carload lots; files, including rasps, in boxes or barrels, in less carloads; elevator guides and fish plates and bolts,

in carloads; stoneware in boxes, barrels, crates, casks or hogsheads; approximately 15%; also copper goods, not silver plated, bolts, bottoms, nails, rivets, tacks, blanks and castings, boxed, in less carloads.

On cotton duck and denims, in carload lots; cotton drills, cotton sheetings and cotton bagging, bleached or unbleached, in carload lots; cotton yard, straight carloads, in carload lots; axle grease, not including machine lubricant, including mineral or petroleum axle grease, in packages, in less carloads; hides and sheep pelts, green, in carload lots; fruit juice N. O. S., and blackberry brandy, in wood, carriers' liability limited to \$1.50 per measurement gallon, unless actual value is less, in less carloads; liquors, in bulk, N. O. S., in barrels or drums, carriers' liability limited to \$1.50 per measurement gallon, unless actual value is less, in less carloads; fish netting (cotton), in packages, in carload lots; castor, cocoanut, corn, palm, blubber, rape seed, dead, kalon, lard, linseed, neatsfoot, red, resin or "Y" and tallow and transformer oils, in less carloads; cotton seed oil, subject to refining in transit privileges as published in tariffs of individual lines on file with Interstate Commerce Commission, in less carloads; lucol oil in less carloads; rice oil, in less carloads; rubber boots and shoes, including tennis shoes (canvas tops), boxed, in carload lots; yellow metal and yellow metal nails and spikes, in carload lots; toys, as described, in packages, straight or mixed carloads; wheel barrows, K. D., wheel barrow wheels and barrow carts, K. D., in carloads; window curtain poles, wooden, in carload lots; approximately 11%.

On spool thread, cotton and linen, in cases or in cabinets, in less carloads; mattresses and frames, metallic, wire cots, wooden folding cribs with woven wire bottoms (K. D. or folded flat), wire and spring beds and bottoms, and canvas cots, not upholstered, in packages, in less carloads; approximately 25%.

On feathers and feather pillows, machine compressed in bales, in carload lots; canvas telescope trunks and valises in carload lots; trunks, empty or packed with traveling bags, telescopes and valises; or traveling bags, telescopes and valises, packed in cases, in carload lots; skids, in less carloads; approximately 18%.

On ferrules, combination brass and iron, in boxes or barrels, in carload lots; rubber hose, with or without covering, in cases, crates or bales, in less carload lots; iron and steel angles, channel beams, columns, girders, zeos and tees, not over 32 feet long, in less carloads; iron and steel axles and axle boxes and nuts for wagons and carriages; range boilers, including stands for same, in carload lots; bolts, nuts, washers, nut locks, rivets, lag bolts and lag screws, in less carloads; iron and steel box straps in packages, in less carloads; iron and steel hasps, hooks, hoop keeps, staples and lap links, in boxes, kegs or barrels, in less carloads; wood screws, N. O. S., in boxes or kegs, in less carloads; plain shafting, not over 32 feet long; iron and steel horse, mule and ox shoes, including toe calks, in boxes or kegs, in carloads; sucker rods, in packages, in less carloads; telegraph, telephone and electric

line poles, cross arms and cross arm braces for same, in less carloads; telegraph or telephone pole steps, in packages, in less carloads; baling ties, in packages, in less carloads; alcohol, including wood alcohol, high wines and pure spirits, in bulk, in barrels or drums, carriers' liability limited to \$2.00 per measurement gallon, unless actual value is less, in less carloads; nails and spikes (not including railroad spikes or ship and boat spikes), cut or wire N. O. S., in less carloads; horse nails, in boxes, in less carloads; cement coated nails, in boxes or kegs, in less carloads; paints, in less carloads; land platser, in packages, in less carloads; powder keg material, metal, boxed, in less carloads; quicksilver flasks, in less carloads; car wheels and axles, in less carloads; rice flour, rice meal, rice flakes or flaked rice and broken rice, in less carloads; rubber tubing, in cases, crates or bales, in less carloads; bar and slab iron up to 6 inches wide, and rod hoop and band iron, in less carloads; sad irons (not including electric, gas, gasoline or charcoal sad irons), and handles for same when packed with sad irons, in boxes, in less carloads; scouring, washing and polishing compounds, N. O. S. (not including liquid compounds, except when in tin cans, boxed), also washing crystals, in less carloads; ship and boat spikes, in less carloads; shoes, heads, rings, tires or dies (for quartz mills), cams and tappets, iron or steel, in less carloads; cast iron stoves, in less carloads; iron fireplaces and grates for same, N. O. S., made of wrought or cast iron, also furnace grates, in carloads; portable fireplaces and grates for same, N. O. S., and portable steam radiating mantels, in carloads; stove pipe (including iron stove pipe cut in shape, nested), stove pipe elbows, tees and thimbles, in carload lots; tile, marble and slate, boxed or crated, in less carloads; tile, earthen or encaustic, for flooring and facing, plain or figured, glazed or unglazed, also enameled brick, in less carloads; varnish, in barrels or cans, boxed, in straight carloads, or mixed carloads with paint, in less carloads; wall coating and wall finish, N. O. S., in boxes, barrels or casks, in less carloads; barbed wire fence, including staples and steel stay guards, in less carloads; iron wire, plain, galvanized, tinned or coppered (including, if desired, steel stay guards), in less carloads; wire rods, in less carloads; approximately 4%.

On poultry food, namely: ground meat and bone, alfalfa meal, blood meal, clover meal, gluten meal, cut alfalfa, cut clover, grain screenings, millet seed, crushed shells and charcoal, in packages, in less carloads; yellow metal and yellow metal nails and spikes, in less carloads; washing machines, including dish washers, boxed or crated, in less carloads; approximately 14%.

On knobs for furniture, locks and pictures, in packages, and sash fasteners and locks, in packages, in carload lots; butts and hinges (except spring), in boxes, kegs, barrels or casks, in less carloads; rails, including mining rails and sawmill track, and ties, iron and steel, including fastenings; shoddy rubber or reclaimed rubber, in packages, in less carloads; rubber junk, in less carloads; rubber tires (not pneu-

matic), for buggy and carriage wheels, boxed, in carload lots; sledges, wedges and mauls, iron or steel, in boxes, barrels or crates, in less carloads; solder, in less carloads; spirits of turpentine, and turpentine substitutes, in barrels or cases, in less carloads; approximately 13%.

On carriage and wagon axles, in less carloads; buff leather, calf finished (including patent leather), finished kip, finished veal, finished wax leather, lace, latigo, chamois, tanned deer, tanned goat (with hair on), tanned shearling skins, and tanned sheep skins (with wool on), in less carloads; salt, in packages, in less carloads; approximately 17%.

On liquors, N. O. S. (including fruit juice, N. O. S., but not including champagne), in glass, packed, in less carloads; meat currie, in packages, in less carloads; organs, melodians, pianos, mechanical pianos, mechanical piano players and automatic slot pianos, boxed, pipe organs, also organ and piano benches, chairs and stools, in less carloads; tarred rope and tarred cordage, in less carloads; automobile springs, carriage and wagon springs and wagon bolsters and seat springs, N. O. S., also iron or steel axles, in less carloads; cotton, flax, hemp, jute, fleece, sail, spring, sisal, Manila, and cotton seine twine and cordage and fish netting (cotton), in bales, boxes or barrels, and all kinds of rope, except wire, in less carloads; binding twine for harvesters, in less carloads; approximately 16%.

On condensed milk, in hermetically sealed cans, boxed, or in bottles packed in boxes, in less carloads; rhubarb roots, dried, in packages, in carload lots; rubber tires (not pneumatic) for buggy and carriage wheels, boxed, in less carloads; bakers' ovens (sectional), steel and iron, K. D., and brick for same, in carload lots; gas and gasoline water heaters, instantaneous, with copper or nickel plated jackets, boxed, in less carload lots; air tight heating stoves (sheet iron), with or without cast iron tops and base, in carload lots; iron fireplaces and grates for same, N. O. S., made of wrought or cast iron, also furnace grates, gas grates (boxed or crated), portable fire places and portable steam radiating mantels, iron lining, grate dampers and andirons (iron), in carload lots; stoves or grates, gas, oil and gasoline, and ovens, boxed or crated, in carload lots; air or steam furnace castings, iron floor or wall ventilators, in carload lots; tacks, iron, N. O. S., in boxes, kegs or barrels, in less carloads; approximately 3%.

On rhubarb roots, dried, in packages, in less carloads; bakers' oven (sectional), steel and iron, K. D., and brick for same, in less carloads; approximately 2%.

On crude rubber, in packages, in less carloads; approximately 40%.

On pulverized silica or silix, in less carloads; soapstone dust, in packages, in less carloads; approximately 50%.

On soapstone, N. O. S., in less carloads; approximately 29%.

On building terra cotta, boxed or crated; approximately 19%.

On tin can tops, packed solid in boxes, in carload lots; approximately 30%.

On tin can tops, packed solid in boxes, in less carloads; approximately 52%.



On vanilla beans and tonka beans, boxed, carriers' liability limited to \$1.00 per pound, unless actual value is less; approximately 21%.

That had said rates as increased been in force and effect during the years 1905, 1906, 1907 and 1908, the earnings from interstate west-bound freight would have been materially increased; that had said lumber rates as increased been in force in 1906, 1907 and 1908 the earnings from interstate business would have been materially increased during said years.

That the interstate tonnage and ton miles moved over the lines of said road in this state on substantially all freight other than lumber and shingles very materially increased in the year 1907, over similar tonnage and ton miles moving in 1906, and equally increased in 1908 over similar tonnage and ton miles moving in 1907.

#### No. 85.

That the cost of moving freight per ton mile decreases as the length of haul increases, due largely to the assembly and terminal charge incurred in the moving of freight, That after a haul passes a division and exceeds 400 miles the cost of movement per ton mile is not materially decreased by a continued length of haul; that the average rate charged per ton mile on state lumber is 1.3459 cents and the average cost of moving a ton mile of state lumber is .6317 cent, while the rate now charged under the increased rate on interstate lumber is .5030 cent per ton mile, and the average cost of moving a ton mile of interstate lumber is .3328 cent; that considering the rates state and interstate respectively from the standpoint of cost of service, they are disproportionate, the state rate being too high or the interstate rate being too low, and if a reduction in revenue is justified on the lumber traffic the reduction should come in the first instance from the state business.

That of the freight moved over the lines in this state in less than car load, the average rate charged on state business per ton mile is 6.4945 cents, and the average cost of moving a ton mile of such freight is 3.3729 cents, the average rate charged on such freight interstate per ton mile is 2.4496 cents, the average cost of moving a ton mile of such freight is .9998 cent; the average length of haul of state freight is 89 miles and of such interstate freight 851 miles, 243 miles of which was over the lines within the state; that 100 pounds of such state freight pays an average rate of 29 cents for 89 miles, while 100 pounds of interstate freight moved over the same lines within the state an average distance of 243 miles for 26 cents.

That for the fiscal year ending June 30, 1907, said railroad carried over its lines from Tacoma and Seattle to St. Paul large quantities of goods consigned from China and Japan through the port of Tacoma amounting as follows:

	Pounds.
Bamboo poles, etc. ....	307,207
Beer .....	407,026

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Braid .....	439,193
Cassia .....	292,322
Chinese goods .....	1,169,429
Cinnamon .....	145,000
Coffee .....	64,800
Curios .....	1,530,145
Fire crackers .....	269,162
Gunnies .....	200,000
Hemp .....	5,297,436
Matting .....	15,058,937
Miscellaneous .....	1,791,005
Oil .....	159,059
Plants .....	191,734
Paper clay .....	280,000
Pineapples .....	123,250
Porcelain .....	403,098
Rice .....	1,460,573
Silk .....	222,350
Slab tin .....	89,685
Smelting products .....	319,120
Sulphur .....	436,800
Stone .....	81,340
Tea .....	6,697,121
Wine and liquors .....	1,980,671

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39,416,463

Making a total shipment through the port of Tacoma of such goods of 39,416,463 pounds.

That said railroad received for moving said goods from Tacoma east an average rate of .4846 cent per ton mile; that all of said goods were handled from the dock at the port of Tacoma through longshoremen employed by the railroad at its cost and was moved on limited freight trains, excepting teas and silks, which were largely moved on through passenger trains; that the cost of moving such freight is greatly in excess of the cost of moving the average ton of freight; that tea is moved from Tacoma to St. Paul, moving on passenger trains as aforesaid, at the rate of 57.50 cents per hundred pounds, while the car load rate on tea from Tacoma to Spokane, being loaded by the consignor, is 100 cents per hundred pounds.

That silk is moved from Tacoma to St. Paul, moving almost wholly on passenger trains, at the rate of 70.600 cents per hundred pounds, while the rate of silk and articles taking the same classification in car load lots moving on freight trains from Tacoma to Spokane being loaded by the consignor moves at the rate of 135 cents per hundred pounds.

That during the said fiscal year 1907, said railroad shipped over its lines from St. Paul large quantities of freight destined to China

and Japan, including cotton, cotton bags, agricultural implements, bridge iron, car material, machinery and tobacco, which freight was carried at a rate greatly below the average rate received for freight, cotton being carried at approximately .4308 cents per ton mile, or approximately 22 cents per hundred pounds from Billings to Tacoma, a distance of 1,017 miles, and car material being carried at approximately .2843 cent per ton mile, or 27 cents per hundred pounds from St. Paul to Tacoma.

That on or about the 23d day of October, 1908, said railroad issued its transcontinental westbound tariff superseding the tariff then in force, which new tariff becomes effective January 1, 1909, by which new tariff the rates on freight from eastern shipping points is generally advanced and raised over what said rates were in the tariff in force since the year 1906.

The Commission finds that if the rates now in force and now charged on interstate freight moving over the lines in this state had been in force and charged during the years 1905, 1906, 1907 and 1908, the earnings credited to the lines in the state of Washington on interstate business during said years would have been materially increased.

That since 1905 there has been an advance in said rates as shown by the tariffs issued by the Northern Pacific Railroad on state business; such advance, however, has been on items of small tonnage and the revenue derived from state business has not been materially increased; there has been no advance in state grain, lumber, coal, logs, live stock, hay, fresh fruit and vegetables, brick, sand and stone and the commodities constituting the principal tonnage of the state.

#### No. 86.

That following the system of accounts adopted by the railroads, the cost of operation hereinbefore set out has not included taxes paid on railroad property within the state; that said road paid taxes on its property in this state as follows:

For the year 1905 .....	\$354,506 45
For the year 1906 .....	634,243 87
For the year 1907 .....	666,838 27

And the Northern Pacific Railway Company estimates its taxes for the year 1908 to be the sum of \$1,012,415.48.

#### No. 87.

That the earnings and expenses of operation hereinbefore set out as earnings and expenses of said road for the years 1905, 1906 and 1907 did not include their earnings from or expenses incurred in operating the Washington & Columbia River branch or the Port Townsend Southern Railroad, as during said years the Washington & Columbia River and the Port Townsend Southern were operated as separate and distinct corporations; that the earnings and operating expenses herein set out for the year 1908 includes the Washington

& Columbia River branch, but does not include the earnings or expenses from or connected with the Port Townsend Southern Railroad.

#### No. 88.

That under the rates now charged the probable and estimated gross earnings of the said railroad from state business over its lines in the state of Washington for the fiscal year ending June 30th, 1909, is the sum of \$13,291,556.00; that the estimated expenses of earning the same, exclusive of interest on the value of the investment or of interest on the funded indebtedness, and dividends on stock, is the sum of \$4,830,671.00.

#### No. 89.

That the relative volume of freight business, relative rates and relative cost, state and interstate, is shown as follows:

CLASS COMMODITY.	Ton Miles Hauled.		Relative Rate.		Relative Cost.	
	State.	Inter-state.	State.	Inter-state.	State.	Inter-state.
Less than car loads .....	2,366,165	6,689,128	.519	.865	\$ 3.730	1.
Grain.....	80,186,916	17,654,736	.11	.102	1.0410	1.
Lumber.....	6,058,488	89,668,949	.114	.095	1.8981	1.
Logs, etc.....	7,520,105	846,087	.082	.088	1.2718	1.
Coal.....	10,839,004	3,608,145	.082	.079	1.0672	1.
1st class.....	28,755	2,450,226	.564	.158	.8500	1.
2nd class.....	18,882	704,859	.576	.498	1.1156	1.
3rd class.....	98,165	1,942,559	.368	.273	1.1156	1.
4th class.....	79,825	1,082,468	.204	.263	1.1156	1.
5th class.....	599,856	9,387,515	.201	.166	1.1156	1.
".....	852,048	5,376,774	.201	.166	1.2865	1.
A class.....	844,074	2,828,554	.255	.249	1.1156	1.
B class.....	97,173	894,386	.343	.301	1.1156	1.
C class.....	665,342	704,860	.167	.164	1.1156	1.
D class.....	726,743	7,535,942	.190	.122	1.1156	1.
".....	1,266,305	7,727,624	.190	.122	1.7031	1.
E class.....	1,457,620	1,291,660	.125	.105	1.1156	1.
".....	4,186,875	1,028,508	.125	.105	1.1638	1.

That there were 82,062,092 passengers carried one mile intrastate, and 139,507,552 passengers carried one mile within the state on interstate haul; the rate per passenger mile allowing for all revenues derived from operation of passenger trains was 3.1992 cents per passenger mile state and 2.0481 cents per passenger mile interstate. The cost per passenger mile, allowing for all operating expenses connected with operation of passenger trains was 1.116% per passenger mile state to 1% per passenger mile, interstate.

#### No. 90.

That based upon the relative cost of service and the relative value of the service rendered the shipper, the rates charged upon intrastate shipments is greatly in excess of the rates charged upon interstate shipments and if the revenues derived by said company from the business done by it over its lines in this state are in excess of a reasonable return on the value of the property and if for that reason

a decrease in the revenue from the reduction of rates is justified, such decrease should be first made on the intrastate business.

No. 91.

From a consideration of all of the evidence and a consideration of the foregoing findings, the Commission concludes as a further fact that the value of the property of the Northern Pacific Railway Company in the state of Washington, used by it for the accommodation of state business was and is 41% of the total value of the property used for each of the years 1906, 1907 and 1908 as heretofore found and the value of its property within the state used by it for the accommodation and use of interstate business was and is 59% of the total value of the property for each of the years 1906, 1907 and 1908, and that the present value of the property of the said road used by it for state business is the sum of \$45,226,464.50, plus its proportion (calculated at 41%) of the money expended for new construction, new equipment and betterments properly chargeable to capital account for the fiscal year ending June 30th, 1908, and the present value of its property within the state used for interstate business is the sum of \$65,081,985.50, plus its proportion (calculated at 59%) of the money expended for new construction, new equipment, and betterments properly chargeable to capital account for the fiscal year ending June 30th, 1908.

The reasons for the foregoing division of value are found in the memoranda opinion immediately following the findings pertaining to and affecting the Great Northern Railway Company.

WITNESS THE RAILROAD COMMISSION OF WASHINGTON this 31st day of December, A. D. 1908.

JOHN C. LAWRENCE,  
JESSE S. JONES,  
Members of Commission.

Attest: O. O. CALDERHEAD, Secretary.

I concur in the foregoing findings except in finding No. 91.

The reasons for my dissenting from this conclusion are found in the dissenting opinion following the Great Northern Findings.

H. A. FAIRCHILD,  
Chairman of Commission.

## EXHIBIT A. REORGANIZATION AGREEMENT.

OFFICE OF THE  
NORTHERN PACIFIC REORGANIZATION COMMITTEE,  
MILLS BUILDING, NEW YORK.

March 16th, 1896.

*To the Holders of the Bonds and Stocks issued or guaranteed by the  
Northern Pacific Railroad Company:*

The property of the Northern Pacific Railroad Company comprises,  
in various forms of ownership and control,

A Railway System of 4,706 miles;

A Land Grant of about 43,000,000 acres, and

Sundry Bonds, Stocks and Accounts, representing interests in  
Terminal, Express, Coal and Navigation Companies.

This property is represented by fifty-four corporations, which have  
issued \$380,000,000 of Bonds and Stocks, of which all are now outstand-  
ing, and \$271,949,044, including defaulted interest to December 31,  
1896, are owned directly by the public.

The present fixed Annual Interest and Sinking Fund

Charges amount to ..... \$ 10,905,690.00

The adjusted Net Income from all sources applicable  
to these Fixed Charges has been:

For the Fiscal Year ending June 30, 1895..... 6,015,846.62

And during the past five years has averaged.... 7,801,645.78

The Plan for Independent Reorganization of the property has  
been drawn upon the following basis:

First.—The abandonment of Chicago as the Eastern Terminus, and  
the Limitation of the Railway on the East by the Mississippi River  
and the Great Lakes.

The Bonds and Stocks of the Chicago & Northern Pacific Railroad  
Company and the Chicago & Calumet Company, or their successor  
companies, remaining as Northern Pacific assets, will be disposed of  
when they can be sold advantageously, and their proceeds applied to  
the benefit of the property.

Second.—The ultimate Union of Main Line, Branches and Terminal  
Properties Through Direct Ownership by a Single Company.

So far as practicable the ownership in fee, or otherwise, of the  
Equipment, Branch Line and Terminal properties (other than the  
Portland terminal) will be acquired and vested in the new Company  
and covered by its new mortgages.

Third.—The Reduction of the Fixed Annual Charges to Less than  
the Minimum Earnings Under Probable Conditions.

The Net Income applicable to Fixed Charges has fluctuated from  
\$10,067,408.37 in the fiscal year 1891-92 to \$4,449,999.04 in 1893-94.  
The average of the past five years has been \$7,801,645.78.

The smallest results were brought about by the well-known combination of currency panic, floods, social disorders and short crops, all of which are unlikely to occur again at any one time.

The net income during the last fiscal year, 1894-95, as shown on page 20, was..... \$ 5,657,483.49  
To which should be added allowance for extraordinary expense of the receiverships, of..... 358,363.13

Thus making the adjusted Net Income of that year.. \$ 6,015,846.62

The gross earnings of the present fiscal year show an increase of about 16 per cent. over the gross earnings for the same period of the previous year.

The fixed annual charges under the Plan of Reorganization, when fully carried out (exclusive of bonds reserved for new construction), will amount to \$6,052,660.

Fourth.—Ample provision for Additional Capital as Required in a Series of Years for the Development of the Property and for the Greater Facilities Necessitated by an Increased Business.

In their report of September last, the receivers state "that provision should be made for extraordinary expenditures in the next five years of \$9,000,000, in order to place the property on an equal footing with its rivals for economical operation."

#### RAILWAY SYSTEM AND ITS MORTGAGE LIENS.

The railroad of the Northern Pacific System is composed of

Main Line.....	45.73%	2,152.35 miles.
Branches .....	54.27%	2,554.09 "
	100. %	4,706.44 miles.

The General First, Second and Third Mortgage Bonds are secured by liens in their respective order upon the Land Grant and upon the Main Line railroad, as above.

The Consolidated Mortgage Bonds are secured by a fourth lien upon the Land Grant and upon the Main Line railroad, and also by the pledge of First Mortgage Bonds upon various Branch Lines having an aggregate length of 1,415.85 miles.

None of the four mortgages cover (except by leasehold) any of the terminal properties owned by the St. Paul & Northern Pacific Railroad Company, the Northern Pacific Terminal Company of (Portland) Oregon, or the Northern Pacific & Manitoba Terminal (Winnipeg), all of which are owned by separate organizations.

There are other branch roads comprising 1,138.24 miles, the bonds of which are directly owned by the public.

#### UNITED STATES LAND GRANT.

The Public Lands granted by the United States to the Northern Pacific Railroad Company under its charter July 2, 1864, amounted to

12,800 acres to the mile of track in the States of Minnesota and Oregon, and 25,600 acres per mile in the Intermediate Territories.

It is estimated that under this grant the Company is entitled to receive about 43,000,000 acres, of which 22,823,115 acres have been selected as belonging to the Northern Pacific Railroad Company. Of these, United States patents, vesting the title to the fee of such lands in the Company, have been received for 15,939,189 acres.

The operations of the Land Department, as shown on page 21, during the past five years show that from all sources (exclusive of proceeds of sales applicable to the Preferred Stock, or by Trustees of Prior Mortgages to their interest and sinking funds), the total income was ..... \$ 3,076,308.37 while the Expenses and Taxes amounted to..... 1,304,145.39

leaving for the Sinking Fund of the General First Mortgage only..... \$ 1,772,162.98 while for the same period the requirements thereunder amounted to..... 3,272,860.00

This Deficiency in Proceeds from Land Sales, amounting to..... \$ 1,500,697.02 was supplied from the Net Earnings of the Operating Department of the Railroad Company.

Of late the diminution of sales of lands applicable to this and other mortgages, has thrown upon the transportation earnings of the Company the burden of their Sinking Fund charges.

These charges, with the other Sinking Fund obligations to the public, amounting to \$1,463,763 per annum, will be entirely relieved by the full operation of the Plan of Reorganization.

None of the new bonds will be subject to drawing or compulsory redemption prior to their regular maturity, a feature now quite generally recognized by investors as most desirable. At the same time they will, after the retirement of the present General First Mortgage Bonds, receive all the benefits of the land sales through the mortgage provision that one-half the proceeds thereof, not exceeding \$500,000 in any one year, shall be used in the purchase, at not exceeding 110 per cent., and the cancellation, of Prior Lien 4 per cent. Bonds, and when these are not obtainable, then in the purchase, at not exceeding 100 per cent., and the cancellation, of General Lien 3 per cent. Bonds, and that the remainder shall be used for betterments and additions to the mortgaged property.

As it now stands, the System in its form of incorporation and capitalization, is a development without method or adequate preparation for growth. Scarcely any single security is complete in itself. The Main Line Mortgages cover neither feeders nor terminals. The Terminal Mortgages may be bereft of their Main Line support. The Branch Line Bonds are dependent upon the Main Line for interchange



of business, and the Main Line owes a large part of its business to the Branch Lines.

The principal object of the Reorganization Committee has been to preserve the integrity of the System. The Plan now presented for the reorganization of the property is founded upon the idea that its unification means its preservation and prosperity, both of which, it is believed, can now be thus permanently accomplished with the best possible security and results for all interests.

The conversion of the General First Mortgage Bonds upon the terms set forth in the Plan is recommended by Messrs. J. P. Morgan & Co., August Belmont & Co. and Winslow, Lanier & Co., who originally issued those bonds, as well as by the German Committee of General First Mortgage Bondholders.

The Plan has been prepared with the approval and cooperation of Messrs. J. P. Morgan & Co. and the Deutsche Bank.

The Plan has received the approval of the representatives of a majority of the Bondholders of the three Main Line mortgages in process of foreclosure (the General Second, General Third and Consolidated Mortgages), and of other important interests affected by the terms of reorganization.

It has also received the approval of the interests represented by the Protective Committee.

Messrs. J. P. Morgan & Co. and the Deutsche Bank have formed the necessary Syndicate of \$45,000,000, and Messrs. J. P. Morgan & Co. will act as Reorganization Managers.

EDWARD D. ADAMS, Chairman.

JOHN C. BULLITT,

LOUIS FITZGERALD,

CHARLES H. GODFREY,

J. D. PROBST,

JAMES STILLMAN,

ERNST THALMANN,

Reorganization Committee.

The undersigned Protective Committee hereby join in recommending the prompt acceptance of the accompanying Plan and Agreement.

BRAYTON IVES, Chairman.

AUGUST BELMONT,

GEORGE R. SHELDON,

CHARLEMAGNE TOWER, JR.,

Protective Committee.

SILAS W. PETTIT,

Counsel.

New York, March 16th, 1896.

**PLAN FOR THE REORGANIZATION OF THE NORTHERN PACIFIC SYSTEM.****Conditions of Participation.**

Participation under this Plan of Reorganization in any respect whatsoever is dependent on the deposit of securities with one of the Depositaries, Messrs. J. P. MORGAN & CO., 23 Wall Street, New York, Messrs. DREXEL & CO., Fifth and Chestnut Streets, Philadelphia, the DEUTSCHE BANK, Berlin, and its Branches at Frankfort-on-Main, Bremen, Hamburg, Munich and London, within such time as may be fixed by notice, and will embrace only securities so deposited.

No securities will be received on deposit unless in negotiable form, and bonds must carry all unpaid coupons.

Pursuant to the arrangement with a Syndicate, hereinafter stated:

As consideration for shares of the new Company as hereinafter indicated, Depositors of Preferred Stock must also pay \$10 per share for new Preferred and Common Stock, and Depositors of Common Stock must pay \$15 per share for new Common Stock.

The payments by Depositors of such Common and Preferred Stock must be made at the offices of Messrs. J. P. Morgan & Co., New York, or Messrs. Drexel & Co., Philadelphia, or of the Deutsche Bank, Berlin and London, at the option of each depositing stockholder, in not less than three installments, at least thirty days apart, when and as called for by advertisement in each instance at least twice a week for two weeks in two of the daily papers of general circulation published in the Cities of New York, Philadelphia, London and Berlin, respectively.

All payments must be received for by one of the Depositaries on the Certificates of Deposit.

Failure to pay any installment when and as payable will subject the deposited stock and all rights on account of any prior payments to forfeiture, as hereinafter provided.

Holders of Certificates of the Mercantile Trust Company of New York for General Second, General Third and Consolidated Mortgage Bonds, deposited under the existing Bondholders' Agreement of February 19, 1894, will be entitled to the benefits of this Plan without the issue of new receipts or certificates, provided, that if hereafter required by the Managers and within the time limited therefor, such existing certificates be produced to one of the Depositaries and stamped as assenting to this Plan.

All holders of General Second, General Third and Consolidated Mortgage Bonds who have not already deposited their bonds with the Mercantile Trust Company of New York under the existing Bondholders' Agreement shall, by delivery of their bonds to the Depositaries, be deemed to deposit their bonds under said Bondholders' Agreement, and, for the bonds deposited, will receive Certificates of said Trust Company issued under that agreement, duly stamped by one of the Depositaries as assenting to this Plan.

The Depositaries will issue negotiable receipts for all other securities deposited with them.

The holders of receipts heretofore issued by the New York Security and Trust Company of New York for General Second Mortgage Bonds, and by the New York Guaranty and Indemnity Company for General Third Mortgage Bonds, must surrender the same to one of the Depositaries and must obtain suitable new certificates hereunder in exchange therefor, in order to entitle them to any benefit of this Plan. Bonds represented by such receipts not actually delivered to the Depositaries will not be entitled to participation herein.

#### **New Railroad Company.**

At the discretion of the Managers, the various properties will be sold under one or more of the several mortgages in default, or otherwise dealt with, and a successor company will be organized.

Pending their use for reorganization purposes, the securities deposited hereunder will be delivered by the Depositaries to one or More Trust Companies, to be held by them respectively subject to the order and control of the Managers.

All securities deposited under the Plan are to be kept alive so long as deemed necessary for the purpose of reorganization.

#### **New Stocks and Bonds.**

The new Company is to authorize the following securities:

First. Prior Lien One Hundred Year 4 per cent. Gold Bonds for \$130,000,000.\*

These bonds are to be secured by a mortgage upon the Main Line, Branches, Terminals, Land Grant, Equipment, and other property, embraced in the reorganization as carried out, and also upon all other property thereafter acquired by the use of any of the bonds to be issued under both the new mortgages.

The present General First Mortgage covers only the main line, land grant and the equipment so far as owned by the Company.

The proceeds of the land applicable to the new bonds after the retirement of the General First Mortgage Bonds (as provided below) will be applied, one-half, but not in any one year exceeding \$500,000, to the purchase of the Prior Lien 4 per cent. Bonds at not exceeding 110 per cent., and their cancellation, and the remainder, under carefully guarded restrictions in the mortgage, will be used for betterments and additions to the property pledged as security for the bonds.

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\*Bonds will be issued in the following denominations: Coupon Bonds of \$500 and \$1,000, with privilege of conversion into Registered Bonds of \$1,000 and \$10,000.

All interest will be payable quarterly, and both principal and interest will be payable in United States gold coin of the present standard of weight and fineness, without deduction for any taxes which the Railroad Company may be required to pay or retain therefrom.

Whenever these bonds cannot be purchased at the maximum price, the unapplied land proceeds for that year will be used to purchase the General Lien 3 per cent. Bonds at not exceeding 100 per cent. and their cancellation.

These bonds are to be appropriated approximately as follows:

To retire an equal amount of General First Mortgage Bonds .....	\$ 41,879,000
To provide for the conversion and, so far as necessary, for the Sinking Fund of the General First Mortgage Bonds (any amount not so used to be added to the reserve for new construction, etc.) .....	14,657,650
For the payment of Receivers' Certificates and Equipment Trust, and the conversion of the Collateral Trust Notes and General Second Mortgage Bonds..	40,040,350
<b>Total present issue under the Plan.....</b>	<b>\$ 96,577,000</b>
Reserved to provide at their maturity for an equal amount of Bonds of the St. Paul & Northern Pacific Railroad Company.....	8,423,000
Estimated amount to be reserved for new construction, betterments, equipment, etc., under carefully guarded restrictions in the mortgage, and to the extent of not exceeding \$1,500,000 per annum....	25,000,000
<b>Total authorized issue.....</b>	<b>\$ 130,000,000</b>

Second. General Lien 150 Year 3 per cent. Gold Bonds\*, limited in amount to \$60,000,000, in addition to a reserve for the 100 year 4 per cent. Prior Lien Mortgage of \$130,000,000.

These bonds are to be secured by a mortgage second in lien to the Prior Lien Mortgage, and covering the same property.

They are to be appropriated approximately as follows:

For the conversion of the General Third Mortgage Bonds, Dividend Certificates, and the Consolidated Mortgage and Branch Line Bonds under the Plan....	\$ 56,000,000
Estimated amount to be reserved under carefully guarded restrictions in the mortgage, for new construction, betterments, equipment, etc.....	4,000,000
<b>Total issue in excess of Prior Lien Bonds.....</b>	<b>60,000,000</b>
Reserve to provide for the Prior Lien Bonds at their maturity in 100 years.....	130,000,000
<b>Maximum amount of both Mortgages.....</b>	<b>\$ 190,000,000</b>

\*Bonds will be issued in the following denominations: Coupon Bonds of \$500 and \$1,000, with privilege of conversion into Registered Bonds of \$1,000 and \$10,000.

All interest will be payable quarterly, and both principal and interest will be payable in United States gold coin of the present standard of weight and fineness, without deduction for any taxes which the Railroad Company may be required to pay or retain therefrom.

Third. Preferred Stock, 4 per cent. Non-cumulative, limited in amount, under this Plan, to not exceeding \$75,000,000, which amount can be increased only with the consent of the Preferred and Common Stockholders, as hereinafter set forth. All the Preferred Stock will be in shares of \$100 each, and will be registered and transferable, at the option of the holder, either in New York or at the Deutsche Bank, Berlin. Dividends upon stock registered in Berlin may be collected there at the rate of 4.20 marks per dollar.

Each share of this Preferred Stock will be entitled to non-cumulative dividends to the extent of four per cent. per annum, payable quarterly out of surplus net earnings in each fiscal year before any dividends for such year shall be paid on the Common Stock, and without deduction for any United States, State or municipal taxes that the Railroad Company may at any time be required to pay or retain therefrom.

In any fiscal year in which four per cent. dividends shall have been declared on both preferred and common stock, all shares, whether preferred or common, shall participate equally in any further dividends for such year.

Provision will be made that after the termination of the Voting Trust hereinafter provided for, the Preferred Stock is to have the right to elect a majority of the Board of Directors of the new Company whenever for two successive quarterly periods the full and regular quarterly dividends upon the Preferred Stock, at the rate of four per cent. per annum are not paid in cash.

The right will be reserved by the new Company to retire this stock, in whole or in part, at par, from time to time, upon any first day of January during the next twenty years.

The Preferred Stock will be appropriated approximately as follows:

For conversion and adjustment of various Main Line and Branch Line Mortgage Bonds and the defaulted interest thereon, and other purposes, as provided in the Plan.....	\$ 72,500,000
Estimated amount which may be used for reorganization purposes or may be available as a Treasury asset of the new Company.....	2,500,000
	<hr/>
	\$ 75,000,000

Fourth. Common Stock to the amount of not exceeding \$80,000,000, in shares of \$100 each.

This stock will be appropriated approximately as follows:

For purposes of reorganization, as provided in the Plan..	\$ 77,500,000
Estimated amount which may be used for reorganization purposes or may be available as a Treasury asset of the new Company.....	2,500,000
	<hr/>
	\$ 80,000,000

#### **Voting Trust.**

In furtherance of this independent reorganization and the administration of the property and of the securities, both classes of stock of the new Company (except such number of shares as may be disposed of to qualify directors) are to be vested in the following five Voting Trustees: J. Pierpont Morgan, Georg Siemens, August Belmont, Johnston Livingston and Charles Lanier.

In the event of the death of any person designated as a Voting Trustee, prior to the creation of the Voting Trust, the vacancy shall be filled as provided in the Reorganization Agreement hereunto annexed, and which is comprised in and forms a part of this Plan, with the same force and effect as though herein set forth at length. The stock shall be held by the Voting Trustees and their successors, jointly (under a trust agreement prescribing the powers and duties to be exercised by them, or by a majority of them, and the method of filling vacancies) for five years, although the Voting Trustees, in their discretion, may deliver the stock at any earlier date. Until delivery of stock is made by the Voting Trustees, they shall issue Stock Trust Certificates entitling the registered holders to receive, at the time therein provided, stock certificates for the number of shares therein stated, and in the meanwhile to receive payments equal to the dividends collected by the Voting Trustees upon a like number of shares, which shares, however, with the voting power thereon, shall be vested in the Voting Trustees until the stock shall become deliverable, as provided in such Trust Agreement and certificates of the Voting Trustees.

#### **Restrictions as to Additional Mortgage Debt and Preferred Stock.**

Provision is to be made that no additional mortgage shall be put upon the property to be acquired hereunder, nor the amount of the Preferred Stock authorized under this plan be increased, except, in each instance, after obtaining the consent of the holders of a majority of the whole amount of the Preferred Stock, given at a meeting of the Stockholders called for that purpose, and the consent of the holders of a majority of such part of the Common Stock as shall be represented at such meeting, the holders of each class of stock voting separately. During the existence of the Voting Trust, the consent of the holders of like amounts of the respective classes of beneficial certificates shall also be necessary for the purposes indicated.

**Estimate of Total New Capitalization\*, Under the Plan When Fully Carried Out.**

(Exclusive of bonds and stock reserved for new construction, etc.)

SECURITIES.	Amount.	Annual Interest and Dividend.
Prior Lien Bonds †.....	\$105,000,000	\$4,372,660
General Lien Bonds.....	56,000,000	1,680,000
<b>Total Bonds.....</b>	<b>\$161,000,000</b>	<b>6,052,660</b>
Preferred Stock.....	\$72,500,000	2,960,000
Common Stock.....	77,500,000	
<b>Total Stock.....</b>	<b>150,000,000</b>	
<b>Total Capitalization.....</b>	<b>\$311,000,000</b>	
<b>Total Annual Charges prior to the Common Stock.....</b>		<b>\$8,952,660</b>

† Including \$8,423,000 St. Paul and Northern Pacific Bonds.

**Estimate of Amount and Charges Per Mile.\***

SECURITIES.	Amount per mile.	Interest and Dividend per mile.
Prior Lien Bonds.....	\$22,310	\$929
General Lien Bonds.....	11,899	357
<b>Total Bonds, per mile.....</b>	<b>\$34,209</b>	<b>\$1,286</b>
Preferred Stock.....	\$15,404	616
Common Stock.....	16,467	
<b>Total Stock, per mile.....</b>	<b>31,871</b>	
<b>Total Capital, per mile.....</b>	<b>\$66,080</b>	
<b>Annual Charges per mile prior to Common Stock.....</b>		<b>\$1,902</b>

\* These calculations are based upon 4,706.44 miles, and are consequently subject to variation according to the actual mileage finally embraced in the reorganization.

**Application of Securities.**

The following details show the disposition to be made under the Plan of the securities of the new Company.

As a consideration for the property and securities to be conveyed or delivered to the new company, of which, pursuant to the Plan, the new Company shall acquire, it is contemplated that the new Company shall deliver the new bonds and stock, excepting the new bonds to be reserved to take up such of the existing securities as are not disturbed, and such final amounts as shall be reserved for the future use of the new Company.

The requisite deliveries of the new securities to depositors and subscribers under the Plan will thus be provided for.

**General First Mortgage Bonds.****Privilege of Conversion.**

The present General First Mortgage Bonds mature in 1921, but are redeemable by compulsory drawings at any time at 110 per cent. from the proceeds of land sales or the fixed annual contribution by the Company to the Sinking Fund.

These compulsory redemptions in the past have been a disturbing factor in all calculations for investment purposes, and the inauguration of a new and vigorous policy for the sale of the lands may be expected from this time forward greatly to increase the amount of such redemptions.

In some years these redemptions have required large contributions from the Operating Department, to the extent even of the entire amount of the Sinking Fund, a sum which would provide for the annual interest on about \$19,000,000 of Prior Lien Bonds as now proposed. It is manifestly to the benefit of the holders of General First Mortgage Bonds to secure an investment of longer continuance and it is also to the benefit of all subsequent securities to diminish this unnecessarily large burden of annual fixed charge.

To relieve the bondholders from these calls for redemption, which prevent their bonds from reaching the high price they would otherwise command, and to relieve the Company from the burden of the Sinking Fund requirements, and permit the use of a portion of the proceeds of land sales for the benefit of the property.

Holders of the General First Mortgage Bonds are now offered the privilege of converting or exchanging their bonds for the new Prior Lien 100-year 4 per cent. Gold Bonds, at the rate of \$1,000 old bonds (coupon or registered) for \$1,350 of new bonds.

To avail of this offer, holders must deposit their bonds as provided on page 7 hereof.

Bonds deposited for conversion under this privilege will be entitled to receive on April 1st next, a cash payment of \$30 per \$1,000 bond so deposited in lieu of the six months' interest that would mature July 1 next on such bond. The first coupon on the Prior Lien Bonds offered in exchange for General First Mortgage Bonds will be payable October 1 next, and in case of any delay in the reorganization, payments equal to the amount of such new coupons will be made on that date and quarterly thereafter until the new bonds are delivered. These payments will, in the absence of other provision, be made by the Syndicate, which will reimburse itself out of the present General First Mortgage coupons as collected.

The right is expressly reserved to modify these terms or to terminate the privilege at any time, and without notice.

The old bonds now outstanding are at the rate of about \$20,466 per mile. The Prior Lien Bonds, including those reserved for the St. Paul and Northern Pacific Bonds (but not including those to be reserved for new construction, etc.), will, on the basis of 4,706 miles,



amount to about \$22,310 per mile, and will cover all the Equipment and the Branches and Terminals as proposed under the Plan.

It is not sought in any way to enforce a conversion of the present General First Mortgage Bonds, and this offer is made solely upon the belief that on the terms proposed such conversion, while advantageous to the Company, is also manifestly to the advantage of bondholders so converting.

The fixed charges for interest and sinking funds on the present General First and Divisional Mortgage Bonds are at the rate of \$1,618 per mile per annum, while it is estimated that they will amount to only \$929 per mile per annum on the Prior Lien Bonds.

The advantage is obvious of a mortgage resting upon a complete and entire system, including Main Line and all branches brought into the new Company, together with Terminals, Land Grant and Equipment, and having over \$200,000,000 of bond and share capital behind it, securing a gold bond running for one hundred years, as compared with a bond at all times liable to compulsory retirement, and secured by only part of the system.

#### **Northwest Equipment Company.**

The shares deposited under the Plan to be purchased at par flat as of June 1, 1896, payable, with interest from that date at 6 per cent. per annum, at any time, in the discretion of the Managers, on or before completion of reorganization.

#### **Collateral Trust Notes.**

Those deposited under the Plan to receive—

3 per cent. in cash May 1, 1896, and 4 per cent. in cash January 1, 1897.

100 per cent. in Prior Lien 4 per cent. Bonds.

20 per cent. in Preferred Stock Trust Certificates.

#### **General Second Mortgage Bonds.**

Those deposited under the Plan to receive—

4 per cent. in cash within sixty days after the Plan has been declared operative.

118½ per cent. in Prior Lien 4 per cent. Bonds.

50 per cent. in Preferred Stock Trust Certificates.

#### **General Third Mortgage Bonds.**

Those deposited under the Plan to receive—

3 per cent. in cash within sixty days after the Plan has been declared operative.

118½ per cent. in General Lien 3 per cent. Bonds.

50 per cent. in Preferred Stock Trust Certificates.

**Dividend Certificates.**

Those deposited under the Plan to receive—

3 per cent. in cash within sixty days after the Plan has been declared operative.

118 per cent. in General Lien 3 per cent. Bonds.

50 per cent. in Preferred Stock Trust Certificates.

**Consolidated Mortgage Bonds.**

Those deposited under the Plan to receive—

1½ per cent. in cash within sixty days after the Plan has been declared operative.

66½ per cent. in General Lien 3 per cent. Bonds.

62½ per cent. in Preferred Stock Trust Certificates.

Except as collected out of the coupons, the Managers will have a lien upon deposited securities for cash advanced as above provided, after the Plan shall have been declared operative.

Interest on all new Bonds to be deposited in exchange for old securities will, unless otherwise stated, accrue from January 1, 1897, and will be payable on or before completion of reorganization.

Equitable cash settlements will be made for fractional amounts of new bonds and stocks accruing to depositors.

**Branch Road Bonds.**

Holders of the bonds issued by the following companies are requested to communicate with Messrs. J. P. Morgan & Co., New York, or with the Deutsche Bank, Berlin, giving the amount of their holdings, and stating whether held in Bonds or Certificates of Deposit:

Central Washington Railroad Company.

Coeur d'Alene Railway & Navigation Company.

Duluth & Manitoba Railroad Company (Minnesota Division).

Duluth & Manitoba Railroad Company (Dakota Division).

Helena & Red Mountain Railroad Company.

James River Valley Railroad Company.

Northern Pacific & Montana Railroad Company.

Northern Pacific & Manitoba Railway Company Terminal Bonds.

Seattle, Lake Shore & Eastern Railroad Company.

Spokane & Palouse Railway Company.

None of these Branch Roads (Seattle, Lake Shore & Eastern alone excepted) owns any considerable amount of equipment; all require more or less expenditure for the restoration of their track, roadbed, stations, etc., to proper condition; all are deficient in their rights-of-way; some have general traffic all the year, while others are dependent mainly upon the special business of a few months annually; and some earn varying rates of interest upon their cost.

In order to deal equitably with the holders of these Branch Bonds, it is deemed necessary to consider each case separately, and upon its own individual merits.

After hearing from a large proportion of each class of these bondholders, steps will be taken to arrive at some fair basis of adjustment, for which General Lien 3 per cent. Bonds and new Preferred Stock Trust Certificates have been reserved under this Plan.

#### Preferred Stock.

Upon completion of the reorganization, the Reorganization Managers in behalf of the Syndicate will deliver to each Depositor of one share (\$100) of Preferred Stock—

\$50 in new Preferred Stock Trust Certificates, and

50 in new Common Stock Trust Certificates,

in consideration of his payment therefor of \$10 per share, as provided on page 7 of this Plan.

#### Common Stock.

Upon completion of the reorganization, the Reorganization Managers, in behalf of the Syndicate, will deliver to the Depositor of each share (\$100) of old Common Stock one share (\$100) of new Common Stock Trust Certificate, in consideration of his payment therefor of \$15 per share, as provided on page 7 of this Plan.

In addition to the payment of all defaulted interest to January 1, 1897, in cash and New Mortgage Bonds, the holders of the three Main Line Mortgage Bonds in default will receive a considerable increase of principal with the following annual income:

OLD SECURITIES.	FIXED INTEREST.				Income contingent upon Dividends on new 4 per cent. Preferred Stock.		TOTAL INCOME	
	Prior Lien 4 per cent. Bonds.		General Lien 8 per cent. Bonds.					
	Amt.	Per cent.	Amt.	Per cent.	Amt.	Per cent.	Amt. new securities.	Per cent. on old securities.
\$100 Seconds receive *.....	\$100	4.00			\$50 00	2.00	\$150 00	6.00
\$100 Thirds receive *.....			\$50	3.00	50 00	2.00	150 00	5 00
\$100 Consols receive *.....			50	1.50	62 50	2.50	112 50	4.00

\* In addition to amounts allowed for coupons.

The position of the holders of the Common Stock of the new Company in relation to fixed annual charges for interest and sinking funds under the Plan, as compared with the position of the holders of the Common stock of the present Company, is as follows:

FIXED CHARGES AND PREFERRED DIVIDENDS.	Old Company.	New Company.	REDUCTIONS.	
			Amount.	Per cent.
Fixed annual charges prior to dividends upon the Preferred Stocks....	\$10,905,690	\$6,052,660	\$4,853,030	44.50
Required for annual dividends upon the Preferred Stocks.....	2,819,064	2,900,000	80,936 *	2.87 *
Total fixed charges and dividends upon the Preferred Stocks, prior to dividends upon the Common Stocks.....	\$13,724,754	\$8,952,660	\$4,772,094	34.77

\* Increase.

The compensation to be paid to Messrs. J. P. Morgan & Co. and the Deutsche Bank for their respective services as Managers and as Depositories of securities has been fixed at one-quarter ( $\frac{1}{4}\%$ ) of one per cent. upon the par value of the securities deposited under the Plan and of the new securities issued in exchange therefor, but not, in any event, to exceed \$1,000,000 in all for such compensation to both parties.

#### Syndicate.

A syndicate has been formed by Messrs. J. P. Morgan & Co., of New York, and the Deutsche Bank, of Berlin, to the subscribed amount of \$45,000,000, to provide the amounts of cash estimated as necessary (1) to carry out the terms of the Plan of Reorganization, and (2) to furnish the new Company with Cash working capital and with a sum estimated at \$5,000,000 for early use in betterment and enlargement of its property.

New York, March 16, 1896.

#### REORGANIZATION AGREEMENT,

March 16th, 1896.

An agreement, made this 16th day of March, 1896, between Edward D. Adams, John C. Bullitt, Louis Fitzgerald, Charles H. Godfrey, John D. Probst, James Stillman, Ernst Thalmann (hereinafter called the Reorganization Committee), parties of the first part;

The Mercantile Trust Company, party of the second part;

J. P. Morgan & Co. (a copartnership), parties of the third part (hereinafter called the Managers);

Holders of Mortgage Bonds of the Northern Pacific Railroad Company (hereinafter called the Railroad Company), Holders of Certificates of the Mercantile Trust Company for General Second, General Third and Consolidated Mortgage Bonds, Holders of Collateral Trust Notes and Dividend Certificates of the Railroad Company, and the Mortgage Bonds of Various Branch Railroads hitherto known as Parts of the Northern Pacific Railroad System, and Holders of the Preferred and Common Stock of the Northern Pacific Railroad Company, who

shall become parties to this agreement, of the fourth part (hereinafter called Depositors);

The Deutsche Bank, of Berlin, in evidence of its active support of the reorganization and of its acceptance of appointment as Depositary thereunder, party of the fifth part, and

August Belmont, Brayton Ives, George R. Sheldon and Charlemagne Tower, Jr., a Committee in behalf of various interests in the Northern Pacific Railroad Company (hereinafter called the Protective Committee), in evidence of their active support of the reorganization thereof according to the Plan provided herein, as parties of the sixth part;

Whereas, by an agreement dated February 19, 1894, known as the Bondholders' Agreement, the parties of the first part were, by certain holders of the General Second, General Third and Consolidated Mortgage Bonds of the Railroad Company, appointed a Committee for the reorganization of said Company; and

Whereas, the Plan referred to in this agreement has been proposed by the Reorganization Committee for the reorganization of the Railroad Company;

Now, Therefore, it is mutually agreed by and between the respective parties hereto as follows:

First. A printed copy of this agreement, signed by a majority of the members of the Reorganization Committee and of the Protective Committee; and by the parties of the second and third parts hereto, and by or for the party of the fifth part, shall be lodged with J. P. Morgan & Co., New York, and a duplicate, signed in like manner, shall be lodged with the Deutsche Bank, of Berlin. Each of said copies shall be taken as a complete and original instrument, but both shall constitute but one agreement. The foregoing Plan is, and shall be, taken to be a part of this agreement, with the same effect as though each and every provision thereof had been embodied herein, and said Plan and this agreement shall be read as parts of one and the same paper; but no estimate, statement, explanation or suggestion contained in the said Plan or this agreement, or in any circular issued, or which may hereafter be issued, by the Depositaries or by the Committee or by the Managers, is intended, or is to be accepted, as a representation or warranty, or as a condition of deposit or assent under the Plan and this agreement, and no defect or error shall release any deposit under this Plan and agreement, or affect or release any assent thereto, except by written consent of the Managers.

Holders of the Bonds, Collateral Trust Notes, Dividend Certificates, and of the Preferred and Common Stock of the Railroad Company, and of the stock of the Northwest Equipment Company and of the mortgage bonds of various Branch Railroads hitherto known as parts of the Northern Pacific Railroad system, or of any of them, may become parties to this Plan and agreement by depositing their securities with the Depositaries upon the terms and conditions specified in the Plan and this agreement, or hereafter defined, and within the periods which shall be fixed or limited by the Managers.

Such holders must in all cases deposit the certificates for their stock, or their bonds, or other securities, with such transfers, assignments and powers of attorney as may be required by the Managers in order to vest in them, and to enable them to transfer, the complete and absolute title to such stocks or bonds or other securities, and the Depositors agree respectively at any time, on demand of the Man-

agers, to execute any and all other transfers, assignments or writings required for vesting the complete ownership of the bonds and stock deposited hereunder in the Managers, or their nominees.

All Depositors of securities (excepting Assenting Certificate holders as hereinafter designated) shall receive certificates of deposit in form to be prescribed by the Managers, specifying the respective bonds or stocks deposited, and the holders of such certificates of deposit shall be entitled (subject to any provisions contained in such certificates) to the rights and benefits, and only to the rights and benefits, specified in the Plan and this agreement, as accruing to the holders of the bonds or stocks of the class represented by such certificates respectively, or granted by the Managers, pursuant to the powers conferred upon them; and thereafter the holder of any such certificate, or of any certificate issued in lieu thereof or in exchange therefor, shall be subject to the Plan and this agreement and entitled to have and exercise the rights of the original Depositor under the certificate issued to him in respect of the securities therein mentioned.

The Plan and this agreement prepared and adopted by the Reorganization Committee in exercise of the power, and in performance of the duty imposed upon said Reorganization Committee under the said Bondholders' Agreement of February 19, 1894, is in the form and contains the terms, powers and conditions which to the Committee seem equitable and fair; and in accordance with the provisions of said Bondholders' Agreement, are now lodged at New York with the Farmers' Loan and Trust Company and the Mercantile Trust Company; at Berlin, with the Deutsche Bank; and at London with the branch of the Deutsche Bank, which has been appointed by said Reorganization Committee as agent therefor, and also with said Reorganization Committee at its office, No. 15 Broad Street, in the City of New York, at each of which places copies are left for distribution to bondholders; and a brief publication of the fact of the adoption and filing of such Plan of Reorganization will be made for at least two weeks in one or more daily newspapers published in the Cities of New York, London and Berlin, and in the absence of express dissent in writing, filed within twenty days after the expiration of such publication (in compliance with the provisions of the Second Article of the said Bondholders' Agreement), the assent to and ratification of the Plan and this agreement shall be conclusively and finally assumed, conferred and given by each and every certificate holder not so expressly dissenting herefrom. But, nevertheless, the Managers, at their option, at any time, may by notice published in the manner hereinafter provided in Article Twelfth hereof, exclude from the operation of the Plan and this agreement, and from any and all interest thereunder, any and all bonds represented by any such certificate issued under such Bondholders' Agreement, unless within the time and in the manner required in such public notice such certificate shall have been submitted to one of the Depositaries hereunder for stamping, and by one of such Depositaries shall have been stamped as expressly assenting to the Plan and this agreement.

Holders of General Second, General Third and Consolidated Mortgage bonds not already deposited under the Bondholders' Agreement of February 19, 1894, shall, by the delivery of their bonds to the Depositaries, be deemed to have deposited their bonds under said Bondholders' Agreement, and for the bonds deposited will receive certificates of the Mercantile Trust Company of New York, issued under that agreement, which may be stamped by one of the Depositaries as assenting to the Plan and this agreement.

All bonds represented by any such certificate, the holder of which shall have acquiesced as above provided, unless stamping of such

certificates shall be required by the Managers, as above provided, and all bonds represented by any certificate stamped as aforesaid, shall be subject to, and included within, the provisions of this Plan and agreement as fully and irrevocably as though directly deposited hereunder, and the Managers shall irrevocably possess and from time to time may exercise all rights of the holders of bonds represented by such certificates, subject to the terms thereof, including the right to abandon or terminate the said former agreement and all further proceedings thereunder.

All such certificates so acquiescing or so stamped are herein designated "Assenting Certificates," and the holders thereof are designated "Assenting Certificate Holders."

Such Certificates of Deposit and such Assenting Certificates and the interests represented thereby shall be transferable only subject to the terms and conditions of the Plan and this agreement, and in such manner as the Managers shall approve; and upon such transfer, all rights of the Deposit or in respect of the deposited bonds or stock represented by such certificates, together with all installments paid by the Depositors of such stock, or their transferees, and all rights under the Certificates of Deposit or Assenting Certificates transferred, shall pass to the transferee, and the transferees and holders of such Certificates of Deposit or of such Assenting Certificate shall for all purposes be substituted in place of the prior holders, subject to this agreement. All such transferees, as well as the original holders of Certificates of Deposit or of Assenting Certificates, shall be embraced under the term "Depositors," whenever used herein. Each Certificate of Deposit or Assenting Certificate may be treated by the Reorganization Committee, by the Managers and by the Depositaries as a negotiable instrument, and the holder for the time being may be deemed to be the absolute owner thereof, and of all rights of the original Depositor of the bond or stock in respect of which the same was issued, and neither the Depositaries nor the Reorganization Committee nor the Managers shall be affected by any notice to the contrary. By accepting any such Certificate, or by presenting any Mercantile Trust Company Certificate to be stamped hereunder, every recipient or holder thereof shall thereby become party to the Plan and this Agreement with the same force and effect as though an actual subscriber hereto. The term Depositor, as well as the term Assenting Certificate Holder, whenever used herein, is intended, and shall be construed, to include not only persons acting in their own right, but also trustees, guardians, committees, agents and all persons acting in a representative or fiduciary capacity, and those represented by or claiming under them, and partnerships, associations, joint-stock companies and corporations. No rights hereunder shall accrue in respect to any securities hereinbefore mentioned unless, nor until, the same shall have been subjected to the control of the Managers and to the operation of the Plan and this Agreement as herein provided.

The Depositaries shall receive the deposited stocks and bonds, and shall deliver the same to one or more Trust Companies in the City of New York, and the same shall be held by them respectively subject to the order and control of the Managers.

The Managers may, in their discretion, fix or limit the period or periods within which holders of bonds or stock, or other securities, or any class thereof, may deposit their securities, and within which they or holders of Mercantile Trust Company Certificates may become parties to the Plan and this agreement, and the periods within which the installments of cash payable by depositing holders of Preferred and Common stock must be paid, and, in their discretion, either generally or in special instances, may extend or renew the period or

periods so fixed or limited, on such terms and conditions as they may see fit.

Holders of securities not deposited, or of the Mercantile Trust Company Certificates not becoming parties hereto, in the manner herein provided, by stamping, if so required, within the periods respectively fixed or limited therefor, will not be entitled to deposit the same or to become parties to this agreement, or to share in the benefits thereof, and shall acquire no rights thereunder, except upon obtaining the express consent of the Managers, who may withhold or give such consent, in their absolute discretion, and such terms and conditions as they may see fit.

The several installments of cash, payable by depositing stockholders as provided in the plan and this agreement, must be paid to the respective Depositaries, and must be receipted for by such Depositaries on the respective Certificates of Deposit issued for such stock. The depositing stockholders agree that all such installments of cash may be used, at any time, by the Managers, for any of the purposes of the Plan and this agreement. Depositors of stock and holders of certificates of deposit for deposited stock respectively agree that prompt payment of the several installment of cash payable by them respectively on the terms of the Plan and this agreement is an essential condition to their acquisition of new stock by purchase under the Plan and this agreement, and that any depositor or holder of a certificate of deposit for stock who shall fail to make prompt payment of any installment of cash payable as provided in the Plan within the periods fixed or limited by the Managers for such payment shall forthwith and without further or other notice or action cease to have any rights, or to be entitled to any benefits hereunder, and in every such case the deposited stock and any cash paid as above provided prior to the date of such default shall vest in and belong to the Managers, and may be used for any of the requirements of carrying out the Plan and this agreement, and that no such defaulting Depositor or Certificate Holder shall be entitled to the return or repayment thereof or to have any further interest or rights in respect thereof. The Managers, however, in their discretion, may waive any such default and accept payment of overdue installments due from any Depositor at any time before final settlement of accounts with the syndicate.

The Managers may, in their discretion, for the purpose of carrying out the Plan and this agreement, call in for deposit any of the undisturbed Main Line bonds mentioned in the Plan, and may cause any mortgage securing the same to be foreclosed, and may cause other similar bonds having similar security, or the Prior Lien bonds reserved therefor under the Plan, to be issued in exchange for such bonds.

Second. The Depositors and Assenting Certificate Holders hereby irrevocably request the Managers to endeavor to carry into practical operation the Plan and this agreement, in its entirety or in part, to such extent and in such manner and with such additions, exceptions and modifications as the Managers shall deem to be for the best interests of the Depositors and Assenting Certificate holders or of the properties finally embraced in the Reorganization. Each and every Depositor and Assenting Certificate holder, for himself and not for any other, does hereby sell, assign, transfer and set over to the Managers as copartners, and to the survivor and survivors of them and to their successors, each and every bond, share of stock, security or obligation or evidence thereof deposited hereunder, or represented by an Assenting Certificate, and every Depositor and Assenting Certificate holder hereby agrees that the Managers shall be and they are hereby vested with all the rights and powers of the owners of the stock, bonds, securities and obligations deposited hereunder, or represented



by such Assenting Certificates, including the right to transfer the same into their own name, as a copartnership and as managers, or into the name of any other person or persons whom they may select; and (without limiting the foregoing provision) it is hereby declared that the Managers shall be fully authorized to vote thereon at any meeting of stockholders or bondholders or creditors; to use every such stock, bond, receipt, security or obligation as fully and to the same extent as the owner or holder thereof; to declare due the principal of any bond or other obligation deposited hereunder, and to revoke any such declaration whenever made; to call or attend, and either in person or by proxy, to vote at any and all meetings of stockholders or bondholders or creditors of any corporation however convened; to terminate or to seek to dissolve or modify any, trust, contract or lease, in whole or in part; to apply for the determination of the validity thereof, or for the removal of any trustees or the substitution of other trustees, or to take any other steps in respect of any trust, contract or lease or under any provision thereof; to purchase at any time or times, at such prices as they shall deem proper, or to pay, compromise or settle with the holders of any coupons, notes or other indebtedness or obligations of any of the Railroad Companies, or any Receiver's certificates or obligations issued or which may be issued or incurred by the Receivers thereof, and to apply for that purpose any moneys received from the sale of trust certificates for stock in the new Company or which may otherwise be received or raised by the Reorganization Committee or by them; to borrow money for any of the purposes of this agreement, and to charge or pledge any deposited securities, property purchased, or new securities to be issued, for the payment of any moneys borrowed; to give all bonds of indemnity or other bonds, and to charge therewith the securities deposited hereunder or any part thereof; to institute or become parties to any legal proceeding; to apply for receivers, or for the removal of receivers and the substitution of other receivers, or for the termination of any receivership and the delivery of any property to its owners; to settle any litigation now or at any time existing or threatened in whole or in part, with plenary power to enter into arrangements for decrees, or for facilitating or hastening the course of litigation, or in any way to promote the consummation of the Plan; to do whatever, in the judgment of the Managers, may be necessary to promote or to procure the sale as an entirety or the joint or separate sales of any lands, grants of lands, property or franchise herein concerned, wherever situated; to adjourn any sale of any property or franchise, or of any portion or lot thereof at discretion; to bid, or to refrain from bidding at any sale, either public or private, either in separate lots or as a whole, for any property or franchises or any part thereof whether or not owned, controlled or covered by any deposited security, or by the bonds represented by any Assenting Certificate, including or excluding any particular rolling stock, or other property, real or personal, and at, before or after any sale, to arrange and agree for the resale of any portion of the property which they may decide to sell rather than to retain; to hold any property or franchises purchased by them either in their name or in the name of persons or corporations by them chosen for the purposes of this agreement, and to apply any security embraced hereunder in satisfaction of any bid or towards obtaining funds for the satisfaction thereof; and the term property and franchise shall include any and all railroads, railroad and other transportation lines, branches, leaseholds, lands, rights in lands, mining rights, stocks, or other interests in corporations in which the Railroad Company has and interest of any kind whatever, direct or indirect. The amount to be bid or paid by the Managers for any property or franchises shall be absolutely discre-

tionary with them; and, in case of the sale to others of any property or franchises, the Managers may receive out of the proceeds of such sale or otherwise any dividend in any form accruing on any securities held by them.

Third. The Managers may procure the organization of one or more new companies, or they may adopt or use any existing or future companies, and they may be caused to be made such consolidations, leases, sales or other arrangements, and may make or cause to be made such conveyances or transfers of any properties or securities acquired by them, and may take such other proceedings as they may deem proper for the purpose of creating the new securities provided for in this Plan and agreement and for carrying out all or any of the provisions thereof. Said Managers shall further be authorized to receive and dispose of, in accordance with any of the provisions of this Plan and agreement, the new securities to be created, and said Managers may vote upon all the stock of such new corporation for all purposes in their judgment necessary to carry out the Plan until the same shall be transferred to the Voting Trustees or to the Depositors and Assenting Security holders, who shall be entitled to receive the same.

Fourth. The Managers may construe the Plan and this agreement; and their construction thereof or action thereunder, in good faith, shall be final and conclusive. They may supply any defect or omission, or reconcile any inconsistency in such manner and to such extent as shall be necessary to carry out the same properly and effectively, and they shall be the sole judge of such necessity. They shall be the sole and final judge as to when and whether the assent of enough parties interested in the Railroad Company shall have been obtained to warrant them in carrying the same or any part into effect, and they shall have power, whenever they shall deem proper, to abandon or to alter, modify or depart from, the Plan of Reorganization or any part thereof. They may at any time or times, after any such partial abandonment, restore to the Plan any abandoned part or parts thereof, and may seek to carry the same into effect, as fully as if such part or parts had not been abandoned. They may also attempt to carry the Plan into effect rather than abandon or modify the same, even though it be manifest that, as carried out, the Plan must depart from the original Plan or from some part thereof. But in case of any intentional change or modification or departure from the Plan, which, in their judgment, shall materially affect any of the several classes of Depositors, or their mutual relations, a statement of such proposed change, modification or departure shall be filed with the Depositaries, and notice of the fact of such filing shall be given as hereafter provided in Article Twelfth; and within two weeks after final publication all holders of the outstanding Certificates for such particular class of securities affected thereby may surrender their respective Certificates therefor and withdraw securities of such particular class or classes, or the proceeds thereof, or substitutes therefor then under the control of the Managers, to the amount indicated in such Certificates, and all Assenting Certificate holders may require cancellation of their assent and release herefrom of the securities represented by their Assenting Certificates, provided, however, that in every case of withdrawal or cancellation the Certificate Holders or the Assenting Certificate Holders shall respectively make payment of their shares of the expenses of the Reorganization Committee and of the Managers as apportioned by the latter. Every Depositor of securities not so surrendering and withdrawing, and every Assenting Certificate Holder not withdrawing his assent, within such two weeks after final publication, shall be deemed to have assented to the proposed changes or

modifications, and whether or not otherwise objecting, shall be bound thereby as fully and effectively as if he had actually assented thereto. Any changes or modifications finally made by the Managers shall be part of the Plan and this agreement; and all provisions and references concerning the Plan shall apply to the plan so changed or modified. In case the Managers shall finally abandon the entire Plan, the stocks and bonds deposited hereunder, or their proceeds, or any stocks, bonds, securities or claims or representatives thereof, then under the control of the Managers, shall be delivered to the several Depositors in amounts representing their respective interests upon surrender of their respective Certificates and payment of such actual expenses as shall have been incurred by the Reorganization Committee and Managers, which latter shall have power to determine and to apportion upon the several classes of securities deposited hereunder the share of expense to be borne by each security. In case of such abandonment, in like manner, and upon like payment of expenses, any assent of the Assenting Certificate holders shall be released by the Managers, and until so released the General Second, General Third and Consolidated Mortgage bonds represented by the Assenting Certificats shall be subject to their ratable share of such expense.

In any such case, any moneys paid by the depositing stockholders, or any coupons, receiver's certificates or other obligations, claims or property acquired therewith, or the proceeds thereof when received, remaining after deducting therefrom the share of the expenses incurred by the Managers under this agreement apportioned upon such depositing stockholders, shall be equitably distributed or adjusted among the respective holders of Certificates of Deposit therefor; but the depositing stockholders, or holders of such Certificates of Deposit, shall have no claim for the repayment of any such moneys, except to the extent of their ratable shares of such moneys, or their proceeds, remaining in the hands of the Managers after payment of such expenses.

In every such case of withdrawal, any cash paid or advanced, as provided in the Plan, to depositors of bonds, notes or dividend certificates or Certificates of Deposit therefor or Assenting Certificates, and any interest paid or advanced to holders of Certificates of Deposit or Assenting Certificates in respect of deposited bonds, notes or dividend certificates represented by such Certificates of Deposit or Assenting Certificates, or in respect of the new bonds to be issued in exchange therefor under the Plan, must be repaid by the holders of such Certificates before the deposited bonds, notes or dividend certificates represented by such Certificates of Deposit or Assenting Certificates shall be surrendered in exchange therefor; but any interest collected by the Managers on deposited securities will in such case of withdrawal be accounted for by the Managers to the holders of the Certificates of Deposit for such securities or of Assenting Certificates.

Fifth. The Managers may proceed under the Plan and this agreement or any part thereof with or without foreclosure, and in case of foreclosure may exercise any power, either before or after foreclosure sale; and in every case all the provisions of the Plan and this agreement shall equally apply to and in respect of any physical properties embraced under the reorganization, and to and in respect of any securities representing any such property, it being intended that for all purposes thereunder any such property, and any security representing such property, may be treated or accepted by the Managers as substantially identical. In case any separate Plan shall, in the opinion of the Managers, become necessary or expedient to effect the reorganization of any subordinate or other company, the Managers

may promote and participate in any such reorganization and may deposit thereunder any securities thereby affected.

In case of any claim, lien or obligation not herein fully provided for and affecting the Railroad Company, or any property or franchises thereof, the Managers may from time to time (subject, however, to Article Sixth hereof) make such compromise in respect thereto or such provision therefor as they may deem suitable, using therefor any securities not expressly required for settlement with Depositors, or not expressly reserved for liens or obligations specified in the Plan, but the total amount of new securities to be created as set forth in the Plan shall not be thereby increased.

Any action contemplated in the Plan and this agreement to be performed on or after completion and reorganization may be taken by the Managers at any time when they shall deem the reorganization advanced sufficiently to justify such course, and the Managers as they may deem necessary may defer the performance of any provision of the Plan and this agreement, or may commit such performance to the new company.

They may also in their discretion set apart and hold in trust, or place in trust with any trust company, any part of the new securities to be issued and cash which may be received from sales of new securities, or otherwise, as they may deem judicious, for the purpose of securing the application thereof for any of the purposes of the Plan and this agreement.

Sixth. The Managers may from time to time make contracts with any person, syndicate or corporation for the purpose of carrying this agreement into effect and by loan, guaranty, or by the sale of the new securities to be created, or otherwise, on such terms, conditions and rates as said Managers may deem proper; and may obtain any moneys required to carry out the Plan and this agreement, including such sums as the Managers may deem expedient to provide for the uses of the new Company; and for the performance of any contract said Managers may charge the deposited securities and the new securities to be issued and may pledge the same for the payment of any moneys borrowed and interest thereon, and other performance of any other obligations incurred under the powers herein conferred. The Managers may employ counsel, agents and all necessary assistance, and may incur and discharge any and all expenses by them deemed reasonable for the purposes of this agreement. They may prescribe the form of all securities and of all instruments at any time to be issued or entered into. They may create and provide for all necessary trusts, and may nominate and appoint trustees thereunder, excepting that the Reorganization Committee shall make any appointment in lieu of, or in succession to, Georg Siemens, and that the Protective Committee shall make any appointment in lieu of, or in succession to, August Belmont, prior to the actual reception of stock by the Voting Trustees. They may, at public or private sale, or otherwise, dispose of any bonds and Trust Certificates for stock of the new Company left in their hands because of any failure to make deposits hereunder. In so disposing of any such new securities thus left on their hands, they may use the same or the proceeds thereof for the purpose of carrying out the reorganization in such manner as they may deem expedient and advisable. At the time of the creation of the new securities, or as soon thereafter as may be, the Managers may take such action (either by creating lesser amounts of securities, or otherwise) as they may deem necessary to guard against the issue of such particular securities in any manner or to any extent inconsistent with the purposes of the Plan.

Seventh. Messrs. J. P. Morgan & Co., as Managers, shall act as

a copartnership, and in case of any change in said firm, the firm of J. P. Morgan & Co., as from time to time constituted, shall continue as Managers, with all the powers, rights and title vested in the Managers hereunder. Neither the Committees nor the Managers nor the Depositaries assume any personal responsibility for the execution of the Plan, or of this agreement, or any part of either, nor for the result of any steps taken or acts done for the purpose thereof; the Managers, however, undertaking in good faith to endeavor to execute the same. No member of the Reorganization Committee, nor any Depositary, nor the Managers, shall be personally liable for any act or omission of any agent or employee selected in good faith, nor for any error of judgment or mistake of law, nor in any case except for his, its or their own individual willful malfeasance or neglect; and no member of the Reorganization Committee shall in any case be personally liable for the act or omission of any other member, nor for the acts of any Depositary or of the Managers, nor shall any Depositary or the Managers be personally liable for the acts or defaults of the Reorganization Committee, or of any other Depositary, or of any Trust Company. The Managers may act through any committees or agents, and may delegate any authority, as well as discretion, to any such committee or agent, and the members of such committee or such agents may be allowed a reasonable compensation for their services hereunder, and the Managers shall be entitled to the compensation stated in the Plan. Any member of the Managers or Depositaries, or any member of either Committee, at any time, may be a Voting Trustee, and may be or become pecuniarily interested in any contracts, property or matters which this agreement concerns, including participation in or under any syndicate agreement, whether or not mentioned in the Plan. Any direction given by the Managers shall be full and sufficient authority for any action of the depositaries or of any Trust Company or of any other custodian or of any committee or agent.

The Reorganization Committee shall be entitled to reasonable compensation. It may discharge any and all reasonable expenses by it incurred for any of the purposes of this agreement or of the agreement of February 19, 1894. Its accounts shall be filed with the Board of Directors of the new Company, and the same, as filed, shall be final, binding and conclusive upon all parties having any interest therein. The Compensation of the said Reorganization and the Protective Committee and their expenses shall be paid as part of the expenses of the reorganization.

Eighth. The Managers may negotiate and contract with any and all companies or persons for obtaining or granting running powers, terminal facilities, exchanges of property, or any other convenience which they may deem necessary or desirable to obtain or to grant, and may make contracts therefor binding upon such new Company, and generally may ratify and make purchases, contracts, stipulations or arrangements as will in their opinion operate directly or indirectly to aid in the preservation, improvement, development or protection of any property now constituting the Northern Pacific System, of which the Railroad Company or any subordinate company has contracted to acquire, or to prevent or avoid opposition to or interference with the successful execution hereof.

Ninth. The accounts of the Managers shall be filed with the Board of Director of the new Company within one year after its organization shall have been completed, unless a longer time be granted by the said Board. The accounts, when approved by such Board of Directors, shall be final, binding and conclusive upon all parties having any interest therein, and thereupon the Managers shall be discharged. The

acceptance of new securities by any Depositor or any Assenting Certificate holder shall estop such acceptor from questioning the conformity of such securities in any particular to any provisions of the Plan; and the acceptance of new securities by the holders of a majority in amount of the Certificates of Deposit and Assenting Certificates for any class of securities shall in each case respectively estop all holders of Certificates of Deposit and Assenting Certificates for securities of that class.

Tenth. The enumeration of specific powers hereby conferred shall not be construed to limit or to restrict general powers herein conferred or intended so to be, and it is hereby distinctly declared that it is intended to confer on the Managers and each Depositor hereunder and each Assenting Certificate holder hereby confers on the Managers, in respect of all securities deposited or to be deposited, or securities represented by Assenting Certificates, and in all other respects, any and all powers which the Managers may deem necessary or expedient in or towards carrying out or promoting the purposes of the Plan and this agreement in any respect, even though any such power be apparently of a character not now contemplated; and the Managers may exercise any and every such power as fully and effectively as if the same were herein distinctly specified, and as often as, for any cause or reason, they may deem expedient. The methods to be adopted for or towards carrying out this agreement shall be entirely discretionary with the Managers.

The bonds and other obligations deposited under the Plan and this agreement, or represented by Assenting Certificates, and all Receivers' Certificates, coupons and claims purchased or otherwise acquired under this agreement, shall remain in full force and effect for all purposes, and shall not be deemed satisfied, released or discharged by any delivery of new securities; and no legal right or lien shall be deemed released or waived, but said bonds and other claims, and any judgment upon any of such claims, including claims and judgments for deficiencies, and all liens and equities, shall remain unimpaired, and may be enforced by the Managers or by the new Company or by any or other assign of the Managers until paid or satisfied in full or expressly released. Neither the Managers nor any bondholders or creditors of the Railroad Company, by executing this agreement, or by becoming parties thereto, release, surrender or waive any lien, right or claim in favor of any stockholders or other creditors of such Company, and all such liens, rights or claims shall vest unimpaired in the Managers and in the new Company, or its assigns, severally and respectively; and any purchase or purchases by or on behalf of the Managers, or the new Company, under any decree for the enforcement of any such lien, right or claim shall vest the property purchased in the Managers or the new Company free from all interest or claim on the part of any such stockholders, creditors or other parties. No right is conferred, nor any trust, liability or obligation (except the agreements herein contained in favor of the holders of Certificates of Deposit or Assenting Certificates hereunder) is created by the Plan and this agreement, or is assumed hereunder or by or for any new Company in favor of any bondholder, or any other creditor, or of any holder of any claim whatsoever against the Railroad Company, nor in favor of any company now existing or to be formed hereafter (whether such claim be based on any bonds, stocks, securities, lease, guaranty or otherwise), with respect to any securities deposited under this agreement or any moneys paid to, or received by Managers or by the Committee or Depositaries hereunder or with respect to any property acquired by purchase at any foreclosure sale, or with respect to any

new securities to be issued hereunder, or with respect to any other matter or thing.

Eleventh. All moneys paid under or with reference to the Plan and this agreement shall be paid over by the Depositaries to the Managers, who shall as bankers hold the same subject to application for any of the purposes of the Plan and this agreement as may be most convenient, and as from time to time may be determined by the Managers, whose determination as to the propriety and purpose of any such application shall be final, and nothing in the Plan shall be understood as limiting or requiring the application of specific moneys to specific purposes. Any obligation in the nature of floating debt or otherwise against any company or property embraced in the Plan, either as proposed or carried out, or any securities held as collateral for any such obligation, may be acquired or extinguished or held by the Managers at such times, in such manner and upon such terms as they may deem proper for the purposes of reorganization, but nothing in the Plan and this agreement contained is intended to constitute, nor shall it constitute, any liability or trust in favor or in respect of any such obligation.

Twelfth. All calls for the presentation of Certificates for stamping, for the deposit of bonds and stocks, for the payment to be made by depositing stockholders or for the surrender of Certificates; all notices fixing or limiting any period for the deposit of securities or for such payments, or for the presentation of Certificates for stamping, and all other calls or notices hereunder, except when otherwise provided, shall be inserted in the New York Times and the New York Tribune, or in two other daily papers of general circulation published in the City of New York; in the London Times and News, or in two other daily papers of general circulation published in the City of London; and in two daily papers of general circulation published in the City of Berlin; twice in each week for two successive weeks, beginning on any day of the week. Any call or notice whatsoever, when so published by the Managers or by the Deutsche Bank, shall be taken and considered as though personally served on all parties hereto, and upon all parties bound hereby, as of the respective dates of insertion thereof, and such publication shall be the only notice required to be given under any provision of this Plan and agreement; and all German translations of the Plan and this agreement and of any call or notice thereunder shall be made under the direction or with the approval of the Deutsche Bank, and when so made shall be sufficient for publication in Germany; but, in case of any discrepancy between such translation and the English original, the latter shall control, and, notwithstanding such discrepancy, shall bind all parties in interest. When a call or notice shall have been advertised as above specified in New York, or in London, or in Berlin, publication shall be complete as regards all holders of certificates of deposit and assented receipts issued or stamped by the Depositaries in the City in which such publication shall have been made, and no further publication shall be required in such city.

Thirteenth. The Plan and this agreement shall bind and benefit the several parties, including the Depositaries hereunder, their and each of their survivors, heirs, executors, administrators, successors and assigns.

Fourteenth. In order fully to subject to every provision of the Plan and this agreement, all General Second, General Third and Consolidated Mortgage Bonds now or hereafter represented by Assenting Certificates of the Mercantile Trust Company, and to obtain therefor all benefits hereunder, the Mercantile Trust Company of New York becomes a party hereto, and each Assenting Certificate holder

hereby confers upon it full power and authority, either with or without the termination of the said Bondholders' Agreement or, February 19, 1894, to hold subject to the Plan and this agreement and to deliver to the Managers or upon their order, the bonds represented by any such Assenting Certificate, and full power and authority from time to time thereafter to make, execute and perform (such power and authority by it to be exercised when requested by the Managers) such further or other instruments, agreements and transfers as may be required hereunder in respect of any bonds represented by any such Assenting Certificates.

In witness whereof, a majority of the Reorganization Committee, the Managers, The Mercantile Trust Company of New York, the Deutsche Bank and the Protective Committee have caused these presents to be duly executed, and all other parties hereto have deposited securities or, as above set forth, have assented hereto in respect of certificates of the Mercantile Trust Company.

EDWARD D. ADAMS,  
JOHN C. BULLITT,  
LOUIS FITZGERALD,  
CHARLES H. GODFREY,  
JOHN D. PROBST,  
JAMES STILLMAN,  
ERNST THALMANN.

THE MERCANTILE TRUST COMPANY,  
by Louis Fitzgerald, President.  
J. P. MORGAN & CO.

DEUTSCHE BANK,  
by Edward D. Adams.

AUGUST BELMONT,  
BRAYTON IVES,  
GEORGE R. SHELDON,  
CHARLEMAGNE TOWER, Jr.

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#### EXHIBIT B.

[This exhibit is a map of Northern Pacific tide lands at Tacoma, attached to original findings and reproduced in certified copies, referred to in finding No. 38.]



## Exhibit C.

### NORTHERN PACIFIC RAILWAY COMPANY.

Classification of Train, Engine and Car Miles, and Rules for Apportioning Operating Expenses to Accounting Divisions.

Taking Effect July 1, 1907.

#### CLASSIFICATION OF TRAIN MILES.

##### Revenue Service.

##### 1. Freight

Includes miles run by revenue-earning trains to transport freight, which do not regularly include a car or cars devoted exclusively or principally to revenue passenger business; also miles run by trains consisting of empty freight cars and of trains consisting of an engine and a caboose running light between terminal stations on account of unbalanced traffic or other causes. When milk, express, baggage or other cars are hauled in a freight train and their earnings are classed as freight earnings, the miles of the train should be considered as freight train miles. Freight trains that regularly haul no passenger service equipment, but transport passengers in a caboose should be classed as freight trains, as should also freight trains temporarily using a passenger car in place of a caboose.

##### 2. Mixed

Includes miles run by revenue-earning trains to transport both passengers and freight in cars, each of which is devoted exclusively to either passenger business or freight business.

NOTE—Mileage of Mixed Trains is to be apportioned one-fourth to "Passenger" and three-fourths to "Freight."

##### 3. Passenger

Includes miles run by revenue-earning trains to transport passengers, baggage, mail and express, also miles run by trains consisting of deadhead passenger equipment. When one or more cars other than regular passenger-train cars, such as milk cars, cabooses deadheaded back, etc., are hauled in a passenger train, the miles run by that train should be considered as passenger train miles.

##### 4. Special Service

Includes miles run by revenue-earning trains, such as chartered trains, paid for either on the basis of a rate per mile run or a lump sum for the train; circus and theatrical trains run under contracts

calling for payment of specified amounts for transportation between designated stations; chartered trains for the Federal or State Governments, carrying troops, munitions of war, camp outfits, etc.

NOTE—Mileage of Special Service Trains is to be apportioned to "Passenger" and "Freight," according to the class of service.

#### **Non-Revenue Service.**

Includes miles run by trains which are not revenue producing, such as:

(a) Of the Passenger Class: Pay-trains, official trains, inspection trains for Railway Commissioners, special trains run to convey fire apparatus for use in saving the company's property from destruction by fire and trains run to convey employees to and from work;

(b) Of the Freight Class: Material and supply trains;

(c) Of the Work Class: Construction trains, trains hauling gravel or other ballast, or engaged in bank widening, ballasting and other maintenance work; wrecking trains, repair trains, snow plows and flangers.

#### **Rules for Computation of Train Miles.**

1. Revenue Train Miles should be based on the actual distance run between terminals and computed from the official time-table or distance table, the same as for Passenger Miles, Ton Miles and Car Miles.

2. Revenue Passenger trains and Revenue Mixed Trains may incidentally carry private cars, official cars, work or service cars, or cars of related classes; and Revenue Freight Trains may incidentally carry cars containing railway material and supplies, or other freight which does not earn revenue; but whole trains of such cars should be regarded as non-revenue trains and classed accordingly.

3. Non-Revenue Train Miles should be based on the actual distance run between terminals. When work trains are run between terminals and not ordered to work at some specified point or within specified working limits, they should be allowed the actual miles run, the same as any other class of trains. When ordered to run to a certain point to work at that point or within specified working limits, they should be allowed the actual miles made while under running orders and in addition an arbitrary mileage of six miles per hour for the time working at the point or within the working limits named.

4. Each train and each section of a train run by a separate train crew, should be considered a separate train, whether hauled by one or more locomotives for either the whole distance or a part of the distance between the train terminals. There should be nothing added to this distance to cover running from roundhouse to terminal, doubling hills running for water, switching or other work at way stations, or for the service of helper or pusher engines or the extra engines on double or triple-head trains.

5. Mileage of trains detoured over foreign roads when hauled by the engines and handled by the crews of the home company should

be computed on the basis of miles actually run and classied by the detouring line in its train mileage in accordance with the service performed.

#### CLASSIFICATION OF LOCOMOTIVE MILES.

##### Revenue Service.

##### 1. Freight.

Includes miles run by locomotives between terminals or stations with freight trains.

NOTE.—The mileage of locomotives hauling cabooses only, either for the purpose of hauling traffic or in returning after delivering traffic moving in opposite directions, should be included in "Freight—Light."

##### 2. Freight—Helping.

Includes miles run by locomotives while assisting freight trains either as pushers or as double-headers; also miles run while hauling the second cut of a freight train doubled over grades.

##### 3. Freight—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses, going for or returning from service designated in No. 1; miles run by light locomotives going to or returning from assisting freight trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a freight train doubled over grades; miles run light by locomotives of a freight train to and from next coaling station or water tank for coal or water; miles run light to pick up or assist a freight train at stations between train terminals; miles run to pick up and haul dead freight train locomotives into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from freight-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

##### 4. Mixed.

Includes miles run by locomotives between terminals or stations with mixed trains.

##### 5. Mixed—Helping.

Includes miles run by locomotives while assisting mixed trains either as pushers or double-headers; also the miles run while hauling the second cut of a mixed train doubled over grades.

##### 6. Mixed—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses or passenger-train cars, going for or returning from service designated in No. 4; miles run by light locomotives going to or returning from assisting mixed trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a mixed train doubled over grades; miles run light by mixed train locomotives to and from the next coaling station or water tank for coal or water; miles run light to pick up or assist a mixed

train at stations between train terminals; miles run to pick up and haul dead locomotives from mixed trains into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from mixed-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

NOTE.—Mixed Locomotive Miles is to be apportioned one-fourth to "Passenger" and three-fourths to "Freight."

**7. Passenger.**

Includes miles run by locomotives between terminals or stations with passenger, mail and express trains.

**8. Passenger—Helping.**

Includes miles run by locomotives while assisting passenger, mail and express trains either as pushers or double-headers.

**9. Passenger—Light.**

Includes miles run by locomotives going for or returning from service designated in No. 7; miles run by light locomotives going to or returning from assisting passenger trains, as pushers or double-headers; miles run light by locomotives of a passenger train to and from the next coaling station or water tank, for coal or water; miles run light to pick up or assist a passenger train at stations between train terminals; miles run to pick up and haul dead passenger-train locomotives into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from passenger-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

**10. Special Service.**

Includes miles run by locomotives in special revenue service, such as locomotives hauling chartered trains, paid for either on the basis of a rate per mile run or a lump sum for the train; circus and theatrical trains run under contracts calling for payments of specified amounts for transportation between designated stations; chartered trains for the Federal or State Governments, carrying troops, munitions of war, camp outfits, etc.

**11. Special Service—Helping.**

Includes miles run while assisting special service trains as defined in No. 10, either as pushers or double-headers; also the miles run while hauling the second cut of a special service train doubled over grades.

**12. Special Service—Light.**

Includes miles run by locomotives between terminals or stations, with or without cabooses or passenger-train cars, going for or returning from service designated in No. 10; miles run by light locomotives going to or returning from assisting special service trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a special service train doubled over grades; miles run light by locomotives of special service trains to and from the

next coaling station or water tank, for coal or water; miles run light to pick up or assist a special service train at stations between train terminals, miles run to pick up and haul dead locomotives from special service trains into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from special service trains, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

NOTE.—Special Service Locomotive Miles is to be apportioned to "Passenger" and "Freight," according to the class of service.

### 13. Switching.

Includes miles allowed to locomotives while switching in yards (but not locomotives switching exclusively at shops for shop purposes), and allowed train locomotives for performing switching service at terminals or way stations. Switching miles to be computed at rate of six miles per hour for the actual time engaged in such service in excess of one hour at any one station.

Miles run by switch locomotives helping trains out of terminals will be treated as "Freight—Helping," "Passenger—Helping," etc., according to the class of the train helped. The light miles run by switch locomotives returning to the yard after such helping service will be treated as "Freight—Light," "Passenger—Light," etc., according to the class of the train helped.

NOTE.—Switching locomotive miles is to be apportioned to "Passenger" and "Freight" according to the class of service.

### Non-Revenue Service.

Includes miles run by locomotives in the different classes of service described under "Non-Revenue Service Train Miles," and, in addition, trial trips of locomotives, to be computed as follows:

(a) In the case of trains of the freight class or of the passenger class, and for trial trips of locomotives, the actual miles run by the locomotives.

(b) In case of trains of the work class, when orders are given to a work train to run to a certain point, work between certain limits, and then return, the actual time card mileage will be allowed between points named in running order, and, in addition, six miles per hour for time held between working limits. Work locomotives employed for switching at shops for shop purposes, for spotting cars in gravel pits, working with pile drivers, etc., should be allowed a mileage of six miles per hour for the actual time in service.

### Rules for Computation of Locomotive Miles.

1. All locomotive miles made in hauling trains, except in Helping and Work Train Service, should be based on the actual distance run between terminals, to be computed from the official time-tables, or distance-table, as prescribed for Train Miles.

2. Helping miles of locomotives should be based on the actual distance made with trains in helping service or in doubling hills.

3. Work train locomotive miles should be arrived at as prescribed for Work Train Miles.

4. Light locomotive miles should be based on the actual distance locomotives are run light, or with only a caboose for the entire distance between terminals.

#### CLASSIFICATION OF CAR MILES.

##### Revenue Service.

##### Freight.

1. Loaded.

Includes miles run by all loaded freight cars in freight service.

2. Empty.

Includes miles run by all empty freight cars in freight service.

3. Caboose.

Includes miles run by caboose cars in freight service.

##### Passenger.

4. Passenger Coaches.

Includes miles run by home and foreign passenger coaches, combinations of passenger and baggage, passenger and mail and passenger and express cars, chair and club cars, either in service or deadhead.

5. Sleeping, Parlor and Observation Cars.

Includes miles run by home and foreign sleeping, buffet, parlor and observation cars, either in service or deadhead.

6. Dining Cars.

Includes miles run by home and foreign dining, cafe and other cars devoted exclusively to the serving of meals or other refreshments, either in service or deadhead.

7. Other Passenger Train Cars.

Includes miles run by home and foreign baggage, combination baggage and express and combinations of baggage, mail, postal and express cars; by home and foreign mail, postal and express cars; by business cars and by milk cars in passenger trains; either in service or deadhead.

##### Special Service.

8. Freight—loaded.

9. Freight—empty.

10. Caboose.

11. Passenger Coaches.

12. Sleeping, Parlor and Observation Cars.

13. Dining Cars.

14. Other Passenger Train Cars.

Includes miles run by the foregoing cars under their appropriate classes, in special revenue service as defined in the Classification of Train Miles.

**Non-Revenue Service.**

Includes miles run by cars in non-revenue trains as defined in the Classification of Train Miles, and as subdivided above under the head of "Special Service," items 8, 9, 10, 11, 12, 13 and 14.

**RULES FOR APPORTIONING OPERATING EXPENSES TO ACCOUNTING DIVISIONS.**

Note "A."—The term "Accounting Division" covers not only the divisions established by the Company for its own purposes but the further subdivisions of these when the line involved runs in more than one state, necessary in the preparation of reports to the various states.

Note "B."—By "Track Mileage" is meant the mileage of main, second, third and fourth tracks, yard, passing and spur tracks, sidings and wyes. The mileage at the close of the previous fiscal year is to be used subject to revision on account of the addition during the year of new main, second, third or fourth tracks with their yards, sidings and passing tracks. The addition during the year of yard, passing and spur tracks and sidings not laid in connection with new main tracks, or similar tracks taken up, need not be considered until the revised mileage for a fiscal year is used.

Note "C."—When in making the apportionment it is impracticable to use current train, car or engine mileage, such figures for the preceding month will be used.

**Maintenance of Way and Structures.**

Under the general heading "Maintenance of Way and Structures," all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions on which they occur, viz.:

Ballast.

Ties.

Rails.

Other Track Material.

Roadway and Track.

Tunnels.

Bridges, Trestles and Culverts.

Over and Under Grade Crossings.

Grade Crossings, Fences, Cattle Guards and Signs.

Snow and Sand Fences and Snow Sheds.

Signal and Interlocking Plants.

(Note.—Repairs should be apportioned according to the location of the tower.)

Telegraph and Telephone Lines.

Buildings, Fixtures and Grounds.

Docks and Wharves.

Maintaining Joint Tracks, Yards and Other Facilities—Dr.

Maintaining Joint Tracks, Yards and Other Facilities—Cr.

Charges to the following named primary accounts can not be entirely localized, and should be apportioned as follows:

**Superintendence.**

Charges to this account should be localized in so far as the duties of those officers are local to an accounting division, and similar expenses of officers having jurisdiction over more than one accounting division should be apportioned on the basis of track mileage over which they have jurisdiction.

**Removal of Snow, Sand and Ice.**

The cost or expense of removal of snow, sand and ice should, as far as possible, be located to accounting divisions. Any charges that can not be so located should be apportioned on the basis of track mileage of the territory involved.

**Roadway Tools and Supplies.**

The expenditure should be localized as far as possible. Such expenditures as can not be localized should be apportioned on the basis of cost of labor expended on localized work done in the current month by the gangs to which such tools and supplies are furnished.

**Work Equipment—Repairs.**

Running Repairs should be localized as much as possible. Such expenditures as can not be allotted to one Accounting Division, including General Repairs, should be apportioned on the basis of track mileage of the entire line.

Note.—The cost of repairing damages caused by accidents should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment.

**Work Equipment—Renewals.**

Charges should be apportioned on the basis of track mileage of the entire line.

Note.—The cost incident to replacement of work equipment (less depreciation written off and salvage) taken out of service on account of accidents, should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment.

**Work Equipment—Depreciation.**

Charges should be apportioned on the basis of the track mileage of the entire line.

**Injuries to Persons.**

Charges to this account should be localized as far as possible; and charges that can not be localized should be apportioned on the basis of track mileage of the territory involved.

**Stationery and Printing.**

The cost of stationery and printing used for maintenance of way and structures purposes should be apportioned on the basis of track mileage maintained.



**Insurance.**

Premiums for insurance on maintenance of way and structures should be localized; except upon work equipment, which should be apportioned on basis of track mileage maintained.

**Other Expenses.**

Charges should be localized as far as possible; unlocalized expenses should be apportioned on the basis of track mileage affected.

**Maintenance of Equipment.**

Under the general heading "Maintenance of Equipment," all charges to the following named primary accounts can be localized and should be apportioned to the Accounting Division on which located:

Maintaining Joint Equipment at Terminals—Dr.

Maintaining Joint Equipment at Terminals—Cr.

Charges to the following accounts can not be entirely localized, and should be apportioned as follows:

**Superintendence.**

Charges should be localized in so far as the duties of those officers are local to an accounting division; similar expenses of officers having jurisdiction over more than one accounting division should be apportioned on the basis of total revenue service engine miles over which they have jurisdiction.

**Steam Locomotives—Repairs.**

The cost of Running Repairs should be apportioned on the basis of the mileage of the individual locomotives in the current month and the cost of General Repairs should be apportioned on the basis of the mileage of the individual locomotives since the last General Repairs. The cost of repairing damages caused by accident should be localized to the extent of the damage done, to be determined by the officer in charge of equipment. Charges that can not be assigned to individual locomotives should be apportioned on the basis of the total revenue service engine miles of the current month.

**Steam Locomotives—Renewals.**

Cost of Locomotive (less depreciation written off and salvage) taken out of service on account of accidents, should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment. Other charges should be apportioned on the basis of the total revenue service engine miles for the preceding fiscal year.

**Steam Locomotives—Depreciation.**

The monthly Depreciation should be apportioned on the basis of the total revenue service engine miles for the current month.

**Passenger Train Cars—Repairs.****Freight Train Cars—Repairs.**

The cost of repairing passenger and freight cars should be apportioned on the basis of the mileage of such cars, respectively, of the

current month, except in cases of damage by accidents, in which event, the estimated damage done, to be determined by the officer in charge of equipment, should be localized to the Accounting Division on which the damage occurred.

**Passenger Train Cars—Renewals.**

**Freight Train Cars—Renewals.**

The cost incident to replacement of freight, passenger and dining cars (less depreciation written off and salvage) retired from service on account of accident should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment. Other charges on this account should be apportioned on the basis of the mileage of passenger, freight and dining cars, respectively, for the preceding fiscal year.

**Passenger Train Cars—Depreciation.**

**Freight Train Cars—Depreciation.**

Charges to these accounts should be apportioned on the basis of the mileage of passenger, freight and dining-cars, respectively, for the current month.

**Shop Machinery and Tools.**

If a shop is under the charge of a territorial superintendent, the expenditures should be apportioned over that superintendent's territory on basis of Revenue Train Mileage for the current month.

When the operations of the shop are applicable to the entire road, the expenditures should be apportioned on the basis of Revenue Train Mileage of the whole road.

**Injuries to Persons.**

Charges to this account should be localized by shops as far as possible and should be apportioned on the same basis as charges for machinery and tools at the shop. Charges that can not be localized should be apportioned on basis of total revenue train mileage for the current month of the territory involved.

**Stationery and Printing.**

The cost should be apportioned on the basis of the total revenue train mileage for the current month.

**Insurance.**

Premiums for insurance of equipment should be apportioned to "Locomotives, Passenger Train Cars, Freight Train Cars" and "Floating Equipment," and the amount allotted to each class of rolling stock should be apportioned by Accounting Divisions on the basis of the mileage of that class for the current month. In the case of Floating Equipment, charges should be apportioned equally to the accounting divisions involved.

**Other Expenses.**

Charges should be localized as far as possible. Unlocalized expenses should be apportioned on the basis of the total revenue train mileage of the current month.

**Equipment Borrowed—Dr.**

Charges on account of freight cars should be apportioned on basis of total freight car mileage for the current month. Charges on account of passenger cars should be apportioned on the basis of total passenger car mileage for current month. Charges on account of locomotives and work cars should be apportioned on the basis of total revenue service engine mileage for the current month.

**Equipment Loaned—Dr.**

Credits on account of freight cars should be apportioned on basis of total freight car mileage for the current month. Credits on account of passenger cars should be apportioned on the basis of total passenger car mileage for the current month. Credits on account of locomotives and work cars should be apportioned on the basis of total revenue service engine mileage for the current month.

**Traffic Expenses.**

The primary accounts incident to traffic expenses chargeable to freight traffic should be apportioned on basis of revenue freight train mileage, those chargeable to passenger traffic on basis of revenue passenger train mileage, and those not naturally chargeable to either passenger or freight, or which may be common to both, on basis of the total revenue train mileage, for the current month.

**Transportation Expenses.**

Under the general heading "Transportation Expenses" all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions on which they occur, viz.:

Station Employees.

Yard Masters and their Clerks.

Yard Conductors and Brakemen.

Yard Switch and Signal Tenders.

Yard Supplies and Expenses.

Yard Enginemen.

Enginehouse Expenses—Yard (See Enginehouse Expenses—Road).

Fuel for Yard Locomotives.

Water for Yard Locomotives.

Lubricants for Yard Locomotives.

Other Supplies for Yard Locomotives.

Operating Joint Yards and Terminals—Dr.

Operating Joint Yards and Terminals—Cr.

Water for Road Locomotives.

Interlocking, Block and Other Signals—Operation.

(Note.—Should be apportioned according to location of tower.)

Crossing Flagmen and Gatemen.

Draw Bridge Operation.

(Note.—Should be apportioned equally to Divisions.)

Clearing Wrecks.

Operating Joint Tracks—Dr.

Operating Joint Tracks—Cr.

Charges to the following named primary accounts can not be entirely localized and should be apportioned as follows:

**Superintendence.**

Charges should be localized in so far as the duties of the officers are local to a division; similar expenses of officers having jurisdiction over more than one division should be apportioned on the basis of total revenue train mileage for the current month.

**Dispatching Trains.**

When the jurisdiction of any train dispatching office is confined to one Accounting Division, the expenses of that office should be so charged, but when the jurisdiction extends over two or more Accounting Divisions, the apportionment should be on basis of total revenue train mileage for the current month.

**Weighing and Car Service Associations.**

The expenses of Weighing Associations and Inspection Bureaus should be localized so far as possible on the basis of the location of the employees of such Associations and Bureaus; the unlocalized expenses should be apportioned on the basis of the localized expenses. The expenses for car service associations should be apportioned on the basis of the total track mileage on June 30 preceding, within the territory over which such Car Service Associations has jurisdiction.

**Station Supplies and Expenses.**

Charges should be localized as much as possible. Cost of items that can not be allocated to accounting divisions (such as car seals for general distribution to freight stations) should be apportioned on the basis of train mileage for the current month.

**Road Enginemen.**

The wages paid road enginemen should be localized as to engine runs. When one run covers two or more accounting divisions the expense of that run should be apportioned to divisions on the basis of the actual mileage of that run on each.

**Enginehouse Expenses—Road.**

The expenses chargeable to Road Locomotives should be localized as to engine runs; if a run covers two or more accounting divisions the expense should be apportioned upon the actual mileage of that run embraced in each accounting division.

**Fuel for Road Locomotives.**

**Lubricants for Road Locomotives.**

**Other Supplies for Road Locomotives.**

The cost of fuel, lubricants and other supplies for road locomotives should be apportioned on the basis of the mileage of the individual locomotives in the current month. Charges that can not be assigned

to individual locomotives, such as sand, will be apportioned on the basis of the total revenue service engine miles for the current month.

#### **Road Trainmen.**

The wages paid road trainmen should be localized as to train runs; when one run covers two or more accounting divisions, the expense of that run should be apportioned on the basis of the actual mileage on each division in the current month.

#### **Train Supplies and Expenses.**

The cost of train supplies and expenses should be apportioned on the basis of revenue passenger, freight and mixed train mileage (according to the class of service involved) of the current month.

#### **Telegraph and Telephone—Operation.**

Charges to this account should be localized as far as possible. Charges which can not be localized should be apportioned on basis of total revenue train mileage of current month.

#### **Stationery and Printing.**

The cost should be apportioned on basis of total revenue train mileage for the current month.

#### **Insurance.**

Premiums for insurance incidental to transportation expenses should be localized as far as possible; unlocalized expenses should be apportioned on basis of total revenue train mileage for the current month.

#### **Other Expenses.**

Charges should be localized as far as possible; expenses which can not be assigned to an individual accounting division should be apportioned on basis of total revenue mileage for the current month.

#### **Loss and Damage—Freight and Baggage.**

Charges to Loss and Damage—Freight and Baggage, should be localized as far as known. Unlocated Loss and Damage should be apportioned on the basis of road mileage over which the particular shipment was consigned. Pay and expenses of adjusters should be apportioned on basis of the total revenue freight or passenger train mileage, respectively, for the current month, of the accounting division involved.

#### **Damage to Property.**

#### **Damage to Stock on Right of Way.**

#### **Injuries to Persons.**

Charges to these accounts should be localized as far as possible; unlocalized items should be apportioned on the basis of the total revenue train mileage for the current month of the accounting divisions involved.

**General Expenses.**

Under the general heading "General Expenses" all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions in which they occur, viz.:

General Administration Joint Tracks, Yards and Terminals—Dr.

General Administration Joint Tracks, Yards and Terminals—Cr.

Charges to the following named primary accounts can not be entirely localized and should be apportioned to accounting divisions, as follows:

**Salaries and Expenses of General Officers.**

**Salaries and Expenses of Clerks and Attendants.**

**General Office Supplies and Expenses.**

**Insurance.**

**Stationery and Printing.**

Charges to these accounts should be apportioned to the accounting divisions on the basis of total train mileage for the current month.

**Law Expenses.**

Law expenses should be localized as far as possible. When such expenses relate to two or more accounting divisions they should be apportioned on the basis of total revenue train mileage for the current month.

**Relief Department Expenses.**

Relief department expenses should be apportioned throughout each fiscal year on basis of number of relief department members located in each accounting division on the 30th day of June preceding.

**Other Expenses.**

Charges should be localized as far as possible. Unlocalized expenses should be apportioned on the basis of the total revenue train mileage for the current month.

## FINDINGS OF FACT APPLICABLE TO THE GREAT NORTHERN RAILWAY COMPANY.

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### Finding No. 1.

The Great Northern Railway Company is a corporation organized and existing under and by virtue of the laws of the state of Minnesota and has complied with the laws of the state of Washington regulating foreign corporations and is authorized to conduct and carry on business in the state of Washington.

That said railway company operates and conducts lines of railroad extending from Lake Superior, through the states of Wisconsin, Minnesota, North Dakota, Montana, Idaho and Washington, having its western termini on Puget Sound in the state of Washington. That the said railway company at the time of commencement of this action was an operating company operating its lines under lease and contract from other corporations that owned said railroad lines.

That the Great Northern Railway Company owned and controlled the capital stock of such other corporations.

That the lines operated by the Great Northern Railway Company in the state of Washington consist of a line extending from the Idaho-Washington boundary to Everett, which line was owned by the St. Paul Minneapolis & Manitoba Railway Company and is 353.94 miles in length.

A line extending from Seattle to the International boundary line between Washington and British Columbia at Blaine, including a portion of what was originally the Fairhaven & Southern Railroad Company extending from Bellville to Yukon, being 133.86 miles in length, which was owned by the Seattle & Montana Railway Company.

A line extending from Anacortes to Rockport, being 58.03 miles, constructed by the Seattle & Northern Railway Company, which was owned by the Seattle & Montana Railway Company.

A line extending from Spokane to Hillyard and from Colbert to the International boundary line at Boundary, a distance of 130.51 miles, which was owned by the Spokane Falls & Northern Railway Company.

A line extending from Northport to Velvet, a distance of 7.51 miles, which was owned by the Columbia & Red Mountain Railway Company.

A line extending from Marcus to the International boundary at Laurier, and from Republic to the International boundary line near Danville, and from Curlew to Midway, a distance of 83.9 miles, which was owned by the Washington & Great Northern Railway Company.

That on or about the 1st day of November, 1907, the said Great Northern Railway Company purchased the lines of the St. Paul, Minneapolis & Manitoba Railway, the Seattle and Montana Railway, the Spokane Falls and Northern Railway, the Columbia and Red Mountain Railway and the Washington and Great Northern Railway in the state of Washington, and other lines outside of the state theretofore operated by it under lease, and at the present time owns, as well as operates, said roads.

No. 2.

That that portion of the line of the Great Northern Railway Company extending from the Washington-Idaho boundary to Everett was constructed by the St. Paul, Minneapolis & Manitoba Railroad Company about the years 1892 and 1893, preliminary surveys and work having been done prior to that time; and the said line was turned over to the Great Northern Railway Company for operation about the year 1894, and has since been operated by the Great Northern Railway Company.

That that portion of the line operated by the Great Northern Railway Company extending from Seattle to the boundary line at Blaine, including what is now the branch line from Belleville to Yukon, and including the following abandoned lines, that is to say, from Yukon to Fairhaven, from Belfast to Sedro Wooley and from Sedro Wooley to Cokedale was constructed by the Seattle & Montana Railway Company and the Fairhaven Southern Railroad Company about the years 1891 and 1892, excepting that portion thereof from Belleville to Fairhaven, which was constructed subsequent thereto, and the said line from the Idaho-Washington boundary to Everett and the said line from Seattle to Blaine, including such abandoned lines, cost, including betterments and improvements, but exclusive of equipment, down to and including the 30th day of June, 1906, the sum of \$32,122,346.13, of which sum, the sum of \$732,580.91 was expended in the construction of the lines from Yukon to Fairhaven, from Belfast to Sedro Wooley and from Sedro Wooley to Cokesdale, since abandoned as hereinbefore stated.

No. 3.

That in order to reproduce the said line from the Washington-Idaho state line to Everett in its present condition, including the original grading, line changes, bank widening, sidings and bridge filling, whether the same was performed by contract or company forces and whether the same was charged to construction or operation, and considering the said line in its present seasoned condition,



it would be necessary to move 9,445,938 cubic yards of earth a distance of not to exceed 300 feet; 3,006,746 cubic yards of hard pan and cemented gravel a distance of not to exceed 300 feet; 1,013,747 cubic yards of loose rock a distance of not to exceed 300 feet; 2,464,657 cubic yards of solid rock a distance of not to exceed 300 feet; and of the above mentioned quantities it would be necessary to move 15,380,139 cubic yards a distance of 100 feet in excess of said 300 foot free haul allowance.

That it would be necessary to clear 2,241 acres; which clearing for the purpose of ascertaining the cost of reproducing the same is estimated to cost the sum of \$100.00 per acre.

That it would be necessary to grub 63,405 square rods, which grubbing for the purpose of ascertaining the cost of reproducing the same is estimated to cost the sum of \$1.65 per square rod.

That it would be necessary to cut 3,867 trees which were growing along the said line, dangerous to the operation of trains, which tree felling, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$2.00 per tree.

That in order to reproduce the said line in its present condition it would be necessary to drive 461 lineal feet of unlined tunnels, 4,961 lineal feet of timber lined tunnels, and 13,813 lineal feet of concrete lined tunnels, said tunnels including the Cascade tunnel, (which cost as shown by the accounting records of the Great Northern Railway Company, the sum of \$2,524,212.34), and the Everett tunnel (which cost, as shown by the Great Northern records, the sum of \$132,106.43.)

That in order to reproduce the bridges, trestles and culverts along said line, it would be necessary to construct 24,177 lineal feet of pile and frame trestles an average height of 18 feet; 468 lineal feet of Howe Truss bridges being under 60 feet in length, 88 lineal feet of Howe Truss bridges and combination bridges, the same consisting of one bridge 88 feet in length, and 955 lineal feet all being between 100 and 150 feet in length; that the steel bridges consist of bridge No. 269, crossing the Spokane River, being 576 feet in length, consisting of five 48-foot girders, two 165 foot through truss spans, the same requiring in its construction 918,234 pounds of steel and 1,183 cubic yards of concrete masonry; bridge No. 270, being the second crossing of the Spokane River, a double track through truss bridge 230 feet in length, requiring in its construction 1,169,670 pounds of steel and 787 cubic yards of concrete masonry; bridge No. 271, being the third crossing of the Spokane River, being a 190 foot through truss span requiring in its construction 680,021 pounds of steel and 1,158 cubic yards of concrete masonry; bridge No. 272, being the fourth crossing of the Spokane River, the same being a 48 foot girder, requiring in its construction 78,000 pounds of steel and 185 cubic yards of concrete masonry; bridge No. 273, being the fifth crossing of the Spokane River, the same being 1,293 feet long and requiring in its construction 2,832,867 pounds of steel and 2,454 cubic yards of concrete masonry;

bridge No. 274, being the sixth crossing of the Spokane River, being 1,474 feet in length and consisting of 12 through truss spans, requiring in its construction 3,324,642 pounds of steel and 2,938 cubic yards of concrete masonry; bridge No. 288 at the crossing of Crab Creek, the same being 208 feet in length, consisting of one 48 foot, one 96 foot and one 64 foot plate girder, the same requiring in its construction 231,498 pounds of steel and 400 cubic yards of concrete masonry; bridge No. 356 at the crossing of Moses Coulee, being 216 feet in length and consisting of one 48 foot, one 24 foot, one 60 foot and one 84 foot plate girder, requiring in its construction 237,318 pounds of steel and 407 cubic yards of concrete masonry; bridge No. 359 at the crossing of the Columbia River, the same being 874 feet in length, consisting of one 250 foot through truss span, one 418 foot through truss span, and one 210 foot through truss span, requiring in its construction 2,745,318 pounds of steel, including the viaduct approach, the same requiring two abutments and two piers of concrete masonry; bridge No. 370 at the crossing of the Wenatchee River, being 264 feet in length, consisting of two 130 foot through truss spans, requiring in its construction 483,892 pounds of steel and 1,295 cubic yards of concrete masonry; bridge No. 371 at the second crossing of the Wenatchee River, being 431 feet in length, consisting of two 150 foot through truss spans and two 64 foot plate girders, requiring in its construction 714,413 pounds of steel and 1,016 cubic yards of concrete masonry; bridge No. 372 at the third crossing of the Wenatchee River, being 307 feet in length, consisting of two 150 foot through truss spans, requiring in its construction 608,574 pounds of steel and 2,600 cubic yards of concrete masonry; bridge No. 382 at mile post 1695, the same being 120 feet in length, consisting of one 120 foot through truss span requiring 209,894 pounds of steel and 399 cubic yards of concrete masonry; bridge No. 385, at the crossing of Nason Creek, the same being 240 feet in length, consisting of two 32 foot, two 48 foot, and one 80 foot plate girder, requiring in its construction 1,144,668 pounds of steel and 530 cubic yards of concrete masonry; bridge No. 395, being just east of the Cascade tunnel, being a 24 foot plate girder, requiring 24,244 pounds of steel and 100 cubic yards of concrete masonry; bridge No. 395-3, just west of the Cascade tunnel at mile post 1711, the same being a 48 foot plate girder, requiring in its construction 78,000 pounds of steel and 185 cubic yards of concrete masonry; bridge No. 398 at mile post 1714, the same being 146 feet in length, consisting of one 80 foot, and two 32 foot plate girders, the same requiring in its construction 125,051 pounds of steel and 474 cubic yards of concrete masonry; bridge No. 400, crossing Martin Creek, the same being 256 feet in length, consisting of one 80 foot, one 64 foot, one 48 foot, and two 32 foot plate girders, requiring in its construction 299,898 pounds of steel and 649 cubic yards of concrete masonry; bridge No. 401, being at the second crossing of Martin Creek, being 768 feet in length, consisting of five 48 foot, two 64 foot,

three 80 foot, and five 32 foot plate girders, requiring in its construction 1,393,755 pounds of steel and 1,547 cubic yards of concrete masonry; bridge No. 402, being at mile post 1719, the same being 352 feet in length, consisting of four 64 foot, three 32 foot plate girders, requiring in its construction 400,134 pounds of steel and 676 cubic yards of concrete masonry; bridge No. 403 at the crossing of the Tyee River, the same being 121 feet in length, consisting of one 120 foot through truss span, requiring in its construction 217,131 pounds of steel and 844 cubic yards of concrete masonry; bridge No. 404 at the crossing of Deception Creek, being 208 feet in length, consisting of one 80 foot, one 48 foot, one 32 foot and two 24 foot plate girders, requiring in its construction 240,986 pounds of steel and 630 cubic yards of concrete masonry; bridge No. 406, located at Nippon, the same being 208 feet in length, consisting of one 80 foot, two 48 foot and one 32 foot plate girder, requiring in its construction 211,876 pounds of steel and 444 cubic yards of concrete masonry; bridge No. 407 located at Nippon, being 256 feet in length, consisting of three 48 foot, three 32 foot plate girders, requiring in its construction 269,080 pounds of steel and 820 cubic yards of concrete masonry; bridge No. 408 at mile post 1723, the same being 320 feet in length, consisting of two 64 foot, two 47 foot and three 32 foot plate girders, requiring in its construction 481,368 pounds of steel and 1,036 cubic yards of concrete masonry; bridge No. 412 located at mile post 1724, the same being 245 feet in length, consisting of seven 32 foot and one 20 foot plate girders, requiring in its construction 192,211 pounds of steel and 508 cubic yards of concrete masonry; bridge No. 418 at the crossing of the Foss River, the same being 624 feet in length, consisting of two 64 foot, one 96 foot, four 48 foot, two 40 foot, and four 32 foot plate girders, requiring in its construction 930,838 pounds of steel and 884 cubic yards of concrete masonry; bridge No. 424 at the crossing of the South Fork of the Skykomish River, the same being 250 feet in length, consisting of one 250 foot through truss span, requiring in its construction 653,141 pounds of steel and 853 cubic yards of concrete masonry; bridge No. 436 at the crossing of the North Fork of the Skykomish River, being 294 feet in length, consisting of one 40 foot plate girder, one 250 foot through truss span, requiring in its construction 884,704 pounds of steel and 904 cubic yards of concrete masonry; bridge No. 446 at the crossing of the Sultan River, being 252 feet in length, consisting of one 250 foot through truss span, requiring in its construction 732,626 pounds of steel and 1,838 cubic yards of concrete masonry; bridge No. 455 at the crossing of the Snohomish River, being 640 feet in length, consisting of one 150 foot through truss span, one 250 foot through truss span, and two 120 through truss spans, requiring in its construction 709,212 pounds of steel and 1066 cubic yards of concrete masonry; 159,647 lineal feet of logs in culverts; 963,144 lineal feet B. M. timber in culverts; 50,400 feet B. M. timber in box drains; 5,560 cubic yards of concrete in culverts; 4,009 cubic

yards of stone in culverts; 452 feet of 12-inch vitrified pipe; 496 feet of 18-inch vitrified pipe; 3050 feet of 24-inch vitrified pipe; 3473 feet of 27-inch vitrified pipe; 392 feet of 30-inch vitrified pipe; 40 feet of 8-inch cast iron pipe; 278 feet of 12-inch cast iron pipe; 526 feet of 18-inch cast iron pipe; 2639 feet of 24-inch cast iron pipe; 1132 feet of 30-inch cast iron pipe; 210 feet of 36-inch cast iron pipe, and steel highway bridges consisting as follows, one 72 foot bridge at Lombard Avenue, Everett, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$80.00 per foot; one 160 foot bridge at Hewitt Avenue in Everett, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$80.00 per lineal foot; one 90 foot bridge at Oaks Avenue, Everett, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$80.00 per lineal foot; one 128 foot bridge at Broadway, Everett, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$80.00 per lineal foot; one 680 foot bridge at Division street, Spokane, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$80.00 per lineal foot; one 450 foot bridge at Washington street, Spokane, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$80.00 per lineal foot; one 163 foot bridge at Third street crossing, Spokane, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$80.00 per lineal foot.

That in order to reproduce the said line in its present condition, including side tracks, it would be necessary to lay 1,258,319 ties.

That in order to reproduce the said line in its present condition, including side tracks, it would be necessary to lay 49,206.95 tons of steel rails, necessitating the use of 3,936 tons of angle bars, 428.3 tons of bolts, 1,599.5 tons of spikes, 862,992 tie plates and 178,095 rail braces, 543 switches complete and 10 crossing frogs complete.

That in order to reproduce the said line it would be necessary to ballast with gravel 353.94 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1,100.00 per mile, and 90.76 miles of sidings, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$600.00 per mile.

That it would be necessary to lay 444.7 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$700.00 per mile.

That to reproduce the crossings, cattle guards and signs along the said line new, it would cost the sum of \$8,304.00.

That in order to reproduce the interest of the Great Northern Railway Company in the telegraph lines along the said line new, it would cost the sum of \$27,642.00.

That in order to reproduce the said line in its present condition it would be necessary to construct the following described transportation department buildings; 39,486 square feet floor area of Great Northern standard frame station buildings; 13,860 square feet floor

area of brick station buildings, the same being located at Spokane; 7,440 square feet of frame freight sheds and warehouses; 39,350 square feet of brick freight sheds and warehouses; 259,770 square feet of Great Northern standard stock yards, four sets of 50-ton track scales; 5,077 square feet of wood platforms; 19,139 square feet of cinder platforms; 600 square feet of brick platforms, 1,197 square feet, floor area of water closets. That the furniture and fixtures used by the said line at its depots and stations along said line, would cost to reproduce new the sum of \$5,300.00.

That in order to reproduce the said line it would be necessary to construct road department buildings as follows: 25,086 square feet floor area of Great Northern standard White section houses; 11,680 square feet, floor area, of Great Northern standard Chinese section houses; 7,184 square feet of tool sheds.

That it would be necessary to construct round houses and shops as follows: 40 brick engine houses comprising 40 stalls, frame engine house comprising 5 stalls, 290 lineal feet of cinder pits, three 60-foot steel turn tables, two 66-foot steel turn tables, 93,500 square feet, floor area, of brick shops; 3,002 square feet, floor area, of frame shops; two transfer tables .

That it would be necessary to construct 31 complete water stations, two 20-pocket coal chutes; one 12-pocket coal chute, one 5-pocket coal chute and one 10-pocket coal chute.

That the interlocking and signal apparatus upon the said portion of said line would cost to reproduce new the sum of \$1,000.00.

That in order to reproduce the said line in its present condition, it would be necessary to construct 4,550 lineal feet of snow sheds. That on said portion of said line from the Washington-Idaho boundary to Everett there are 51 sections, and in order to reproduce the tools and equipment necessary for such line, it would cost to reproduce the same new the sum of \$200.00 per section.

#### No. 4.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. on the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be 5 per cent. of the items last hereinbefore mentioned plus

the amount necessary for section equipment and legal and general expenses, costs of engineering, and value of right-of-way and terminals.

No. 5.

That in order to reproduce that portion of the line operated by the Great Northern Railway Company, extending from Seattle to Blaine, including that portion of the branch line from Belfast to Yukon, in its condition on the 30th day of June, 1906, including bank widening, line changes, sidings, bridge filling, and all work performed by company forces whether the same was charged to operating expenses or to construction account, and considering the said line in its present seasoned condition, that it would be necessary to move 4,601,026 cubic yards of earth a distance of not to exceed 300 feet; 933,991 cubic yards of hard pan and cemented gravel a distance of not to exceed 300 feet; 160,007 cubic yards of loose rock a distance of not to exceed 300 feet; 558,806 cubic yards of solid rock a distance of not to exceed 300 feet, and of the above quantities it would be necessary to move an equivalent of 6,804,779 cubic yards of material a distance of 100 feet in excess of said 300-foot free haul allowance.

That it would be necessary to clear 1,356 acres, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$100.00 per acre.

That it would be necessary to grub 33,735 square rods, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1.65 per rod.

That it would be necessary to cut 2,729 dangerous trees, which, for the purpose of ascertaining the cost of reproduction, such tree cutting is estimated to cost \$2.00 per tree.

That it would be necessary to drive 2,181 lineal feet of timber-lined tunnels and 5,141 lineal feet of concrete-lined tunnels, said last mentioned tunnel being in the city of Seattle and being owned jointly by the Northern Pacific Railway Company and the Great Northern Railway Company.

That it would be necessary to construct 62,939 lineal feet of pile and frame trestles of an average height of eighteen feet; 134 lineal feet of Howe Truss bridges and Combination bridges, of a length less than 60 feet; 574 lineal feet of Howe Truss and Combination bridges of a length between 60 feet and 100 feet; 1004 lineal feet of Howe Truss and Combination bridges of a length between 100 feet and 150 feet; and 962 lineal feet of Howe Truss and Combination bridges of a length greater than 150 feet; bridge No. 64 at Ferndale, the same being 237 feet in length and consisting of one steel draw span requiring in the construction thereof 400,000 pounds of steel and 415 cubic yards of concrete masonry; wooden highway bridges having a total length of 1,384 lineal feet, which, for purposes of ascertaining the cost of reproduction said highway bridges are estimated to cost \$20.00 per lineal foot. 63,614 lineal feet of logs in culverts; 955,008 lineal feet B. M. timber in culverts; 5,614 lineal feet B. M.

timber in wooden boxes; 180 cubic yards of concrete in culverts; 65 cubic yards of stone in culverts; 98 feet of 18-inch vitrified pipe; 120 feet of 24-inch vitrified pipe; 295 feet of 30-inch vitrified pipe; 66 feet of 12-inch cast iron pipe; 24 feet of 18-inch cast iron pipe and 120 feet of 24-inch cast iron pipe.

That it would be necessary to lay 541,524 ties, and 19,571.21 tons of steel rails, necessitating track fastenings as follows: 1,574.2 tons of angle bars, 163.7 tons of bolts; 623.2 tons of spikes; 325.728 tie plates; and 66,938 rail braces, 349 switches complete and 5 crossing frogs complete.

That it would be necessary to ballast with gravel 133.86 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1,100.00 per mile, and 58.19 miles of side track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$600.00 per mile.

That it would be necessary to lay 192.05 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$700.00 per mile.

That the cattle guards, crossings and signs would cost to reproduce new, the sum of \$3,350.00.

That to reproduce the interest of the Great Northern Railway Company in the telegraph lines along the said last mentioned line, would cost new, the sum of \$9,380.00.

That the transportation department buildings consist of 20,650 square feet, floor area; of Great Northern standard frame station buildings; 3,840 square feet floor area of Great Northern standard stone and brick combination stations, the same being at Bellingham; 125,628 square feet, floor area, frame sheds and warehouses, the same including 125,000 square feet floor area situate at Smith's cove on the dock hereinafter referred to; 93,685 square feet floor area of brick freight sheds and warehouses; 2,304 square feet of Great Northern standard stock yards; three sets of 50-ton track scales; 23,112 square feet of wooden platforms; 3,000 square feet of cinder platforms; 1,784 square feet, floor area, of water closets; (this does not include the station owned jointly by the Northern Pacific Railway Company and the Great Northern Railway Company, at Seattle, the same being hereinafter referred to.)

That the station furniture and fixtures, exclusive of the Seattle station, in the stations along the last mentioned line, would cost, to reproduce new, the sum of \$1,910.00.

That the road department buildings along the said last mentioned line consist of 11,416 square feet, floor area, of Great Northern standard White section houses; 8,572 square feet, floor area, of Great Northern standard Chinese section houses; 2,936 square feet of tool sheds.

That the round houses and shops along the last mentioned line consist of brick engine houses comprising a total of 15 stalls; frame engine houses comprising a total of 10 stalls; two 60-foot steel turn

tables; 23,815 square feet, floor area, of brick shops; 5,121 square feet, floor area, of frame shops; 24,000 square feet of repair sheds.

That there are on the said last mentioned line seven water stations complete, and for the purpose of ascertaining the cost of reproduction new, they are estimated to cost \$2,700.00 each.

That the interlocking and signal apparatus along the said line is estimated to cost the sum of \$24,100.00.

That there are, along said line, 19 sections, the tools and equipment for such sections being estimated to cost \$200.00 each.

That along the said last mentioned line there is a grain elevator at Seattle, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$100,000.00.

That along the said line is a large and commodious dock at Smith's cove, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$626,368.60 new. That said dock is used for the purpose of transshipment from the rail lines to the steamboat lines and from the steamship lines to the rail lines for foreign shipment, and is operated by the said Great Northern Railway Company.

#### No. 6.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards, and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. of the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be five per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment, legal and general expenses, costs of engineering and value of right-of-way and terminals.

#### No. 7.

That that portion of the line now operated by the Great Northern Railway Company extending from Anacortes to Rockport, was built by the Seattle & Northern Railway Company about the year 1892, and the said Seattle & Northern Railway Company sold and transferred during the year 1892 to the Seattle & Montana Railway Company for the sum of \$1,482,594.56, and the said line has cost the Seattle and Montana Railway Company and the Great Northern Railway Company, including said purchase price and betterments and im-



provements, down to the 30th day of June, 1906, the sum of \$1,546,-577.79.

That in order to reproduce the said line in its present condition, including the original grading, bank widening, grading for sidings, bridge filling, whether the same was or should be charged to construction and operating expenses, and considering the same in its present seasoned condition, it would be necessary to move 851,831 cubic yards of earth a distance of not to exceed 300 feet; 290,316 cubic yards of cemented gravel and hard pan a distance of not to exceed 300 feet; 10,756 cubic yards of loose rock a distance of not to exceed 300 feet; 47,524 cubic yards of solid rock a distance of not to exceed 300 feet; and of the above quantities it would be necessary to move an equivalent of 1,200,427 cubic yards a distance of 100 feet in excess of the 300 foot free haul allowance.

That it would be necessary to clear 627 acres, which clearing, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$100.00 per acre; and to grub 14,912 square rods, which grubbing, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1.65 per rod.

That it would be necessary to construct and erect bridges, trestles and culverts as follows: 19,693 lineal feet of pile and frame trestles of an average height of eighteen feet; 232 lineal feet of Howe Truss bridges of a length less than 60 feet; 634 lineal feet of Howe Truss and Combination bridges of a length greater than 150 feet; 66,662 lineal feet of logs in culverts; 188,388 feet B. M. timber in culverts; 1,983 feet B. M. of timber in wooden boxes; 92 feet of 18-inch vitrified pipe and 30 feet of 24-inch vitrified pipe.

That it would be necessary to lay 191,319 ties and 6,071.2 tons of steel rails, the same requiring track fastenings as follows: 57.34 tons of angle bars, 59.1 tons of bolts, 218.7 tons of spikes, 140,400 tie plates and 29,015 rail braces, 58 switches complete and 4 crossing frogs complete.

That in order to reproduce the said last mentioned line it would be necessary to ballast with gravel 58.03 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1,100.00 per mile, and 9.43 miles of side track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$600.00 per mile.

That it would be necessary to lay and surface 67.46 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$700.00 per mile.

That the cattle guards, crossings and signs along said line would cost to reproduce new the sum of \$1,450.00.

That the interest of the Great Northern Railway Company in the telegraph lines along said last mentioned line would cost to reproduce new \$4,060.00.

That the transportation department buildings along the said line consist of 5,829 square feet, floor area, of Great Northern standard frame station buildings, 18,120 square feet, floor area, of frame freight sheds and warehouses, 2,208 square feet of Great Northern standard stock yards, one set of 34-foot track scales, 3,596 square feet of wooden platforms and 361 square feet floor area of water closets.

That to reproduce the furniture and fixtures in the said station buildings along the said line, would cost new, the sum of \$770.00.

That the road department buildings along the said line consist of 3,198 square feet, floor area, of Great Northern standard White section houses; 1,800 square feet floor area of Great Northern standard Chinese section houses; 1,018 square feet of tool sheds. That the round houses and shops along said line consist of one one-stall frame engine house and two 60-foot steel turn tables. That along the said last mentioned line there are four complete water stations, which, for the purpose of ascertaining the cost of reproduction, are estimated to cost \$2,700.00 each.

That the interlocking and signal apparatus along the said portion of said line would cost to reproduce new the sum of \$125.00.

That there are along said portion of said line 8 sections, the tools and equipment for which sections are estimated to cost \$200.00 each.

#### No. 8.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shops, machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. of the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be 5 per cent. of the items last hereinbefore mentioned plus the amount necessary for section equipment and legal and general expenses, costs of engineering, and value of right-of-way and terminal grounds.

#### No. 9.

That that portion of the line operated by the Great Northern Railway Company extending from Spokane to Hillyard, heretofore operated and owned by the Spokane Falls & Northern Railway Company, and that portion from Colbert to Boundary, was constructed by the Spokane Falls & Northern Railway Company, and that portion of the line from Northport to Velvet was constructed by the Columbia

& Red Mountain Railway Company, said property as first above described being operated by the Spokane Falls & Northern Railway Company up to, on, or about the 1st day of July, 1907; the said property second above described being operated by the Columbia & Red Mountain Railway Company up until said last mentioned date, at which time the operation of said property was taken over by the Great Northern Railway Company and since said date the same has been and now is operated by it.

That the accounting records showing the original cost of construction of said property are not obtainable. That the Spokane Falls & Northern Railway Company was organized with a capital stock of 28,120 shares of the par value of \$100.00 per share, making a total capital stock issue of \$2,812,000.00.

That in the year 1889 said Spokane Falls & Northern Railway Company issued its first mortgage bonds upon said property in the amount of \$2,812,000.00, of which capital stock the Great Northern Railway Company owns \$2,809,000.00 worth par value, and of said bonds the Great Northern Railway Company owns \$2,580,000.00 worth par value.

That said first mortgage bonds were sold and realized in cash the sum of \$2,390,200.00.

That the Columbia & Red Mountain Railway Company was organized with a capital stock consisting of 2,644 shares of the par value of \$100.00 per share, making a total capital stock issue of \$264,400.00.

That in the year 1896 it issued its first mortgage bonds in the sum of \$291,000.00. That said capital stock and bonds all are owned by the Great Northern Railway Company.

That the total capitalization of the said Spokane Falls & Northern and the said Columbia & Red Mountain Railway Company, including the stocks and bonds, is the sum of \$6,179,400.00.

That it would cost to reproduce the said lines in their present condition, exclusive of right-of-way, real estate and equipment, the sum of \$2,545,519.95.

#### No. 10.

That in order to reproduce the lines herein referred to as the Spokane Falls & Northern Railway Company and the Columbia & Red Mountain Railway Company, it would be necessary to move 2,207,301 cubic yards of earth a distance of not to exceed 300 feet; 277,139 cubic yards of cemented gravel and hard pan a distance of not to exceed 300 feet; 198,893 cubic yards of loose rock a distance of not to exceed 300 feet; 156,393 cubic yards of solid rock a distance of not to exceed 300 feet. And, of the above mentioned quantities, it would be necessary to move an equivalent of 2,839,752 cubic yards of material a distance of 100 feet in excess of said 300 foot free haul allowance.

That it would be necessary to clear 520 acres, which, for the

purpose of ascertaining the cost of reproduction, are estimated to cost \$80.00 per acre.

That it would be necessary to grub 4,360 square rods, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1.65 per square rod.

That to reproduce the bridges, trestles and culverts on said line, it would be necessary to construct 12,056 lineal feet of pile and frame trestles; one 75-foot Howe Truss bridge; and bridge No. 1 over the Columbia River at Northport, the same being a 1200-foot combination bridge, consisting of three 150-foot combination spans, and three 250-foot combination spans on concrete masonry; 54,556 lineal feet of logs in culverts; 73,692 feet B. M. timber in culverts; 4,083 feet B. M. timber in wooden boxes; 242 feet of 12-inch vitrified pipe; 2162 feet of 18-inch vitrified pipe; 858 feet of 24-inch vitrified pipe; 110 feet of 27-inch vitrified pipe; 238 feet of 12-inch cast iron pipe; 302 feet of 18-inch cast iron pipe; 300 feet of 24-inch cast iron pipe; and 192 feet of 30-inch cast iron pipe.

That in order to reproduce the said lines in their present condition, it would be necessary to lay 450,530 ties, and 14,458.69 tons of rails, requiring track fastenings as follows: 1,358.4 tons of angle bars, 139.1 tons of bolts, 516.6 tons of spikes, 336,960 tie plates, 69,010 rail braces, and 125 frogs and switches complete. That it would be necessary to ballast with gravel 138.02 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1,100.00 per mile, and 20.70 miles of side track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$600.00 per mile.

That it would be necessary to lay and surface 158.81 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$700.00 per mile.

That in order to reproduce the said line it would be necessary to put in cattle guards, crossings and signs along said road, and for the purpose of ascertaining the cost of reproduction, the same are estimated to cost new, the sum of \$3,450.00.

That the interest of the Great Northern Railway Company in the telegraph lines along the said line is estimated to cost new the sum of \$9,660.00.

That the transportation department buildings along the said line consist of 22,648 square feet floor area of Great Northern standard frame station buildings; 8,898 square feet floor area of frame freight sheds and warehouses; 6,468 square feet of Great Northern standard stock yards; 6,637 square feet of wooden platforms; 600 square feet of frame platforms and 152 square feet of water closets. That the furniture and fixtures now in use in the stations along said lines would cost new, the sum of \$1,870.00.

That the road department buildings along the said line consist of 9,808 square feet, floor area, of Great Northern standard White sec-

tion houses; 144 square feet, floor area, of Great Northern standard Chinese section houses, and 1,568 square feet of tool sheds.

That along said line there are fuel stations and coal sheds, which, for the purpose of ascertaining the cost of reproduction, are estimated to cost new, the sum of \$7,000.00.

That there are along said line 9 complete water stations and that for the purpose of ascertaining the cost of reproduction it is estimated that the same would cost new the sum of \$2,700.00 each.

That the interlocking and signal apparatus along said portion of said line is estimated to cost \$350.00.

That there are along said line 20 sections, the tools and equipment for which sections are estimated to cost \$200.00 each.

#### No. 11.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, trestles, bridges and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses and turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. of the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be 5 per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment and legal and general expenses and costs of engineering, and value of right-of-way and terminal grounds.

#### No. 12.

That that portion of the lines operated by the Great Northern Railway Company extending from Marcus to Laurier, from Republic to the International boundary line and from Curlew to the International boundary line, was constructed by the Washington & Great Northern Railway Company.

That the said Washington & Great Northern Railway Company is a corporation organized under the laws of the state of Washington, having an authorized capital stock of 100,000 shares of the par value of \$100.00 per share, making a total authorized capital stock of ten million dollars, of which stock two million dollars have been issued, all of such capital stock so issued being owned by the Great Northern Railway Company.

That the Washington & Great Northern Railway Company operated its line down to, on, or about the 30th day of July, 1907, when the operation thereof was taken over by the Great Northern Railway

Company and the same has been and now is operated by the said Great Northern Railway Company.

That the said lines cost the Washington & Great Northern Railway Company, down to the 30th day of June, 1906, including betterments and improvements, the sum of \$3,047,763.73.

No. 13.

That to reproduce the said line last mentioned in its present condition, including bank widening, bridge filling, and considering the same in its present seasoned condition, it would be necessary to move 1,288,410 cubic yards of earth a distance of not to exceed 300 feet; 764,569 cubic yards of hard pan a distance of not to exceed 300 feet; 156,153 cubic yards of loose rock a distance of not to exceed 300 feet; 584,284 cubic yards of solid rock a distance of not to exceed 300 feet; and of the above quantities it would be necessary to move an equivalent of 2,793,416 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance.

That it would be necessary to clear 959 acres, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$90.00 per acre; and to grub 8004 square rods, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1.65 per square rod.

That it would be necessary to drive one unlined tunnel 113 feet long.

That to reproduce the bridges, trestles and culverts on said line, it would be necessary to construct 6,231 lineal feet of pile and frame trestles; which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$10.00 per lineal foot; 132 feet of Howe Truss bridges of a length less than 60 feet; one 88-foot Howe Truss bridge, and 1500 feet of Howe Truss bridge of a length between 100 and 150 feet, the last mentioned including the Howe Truss bridge over the Columbia River at Marcus, the same being 1395 feet in length; 194,262 lineal feet of logs in culverts; 24 feet of 12-inch cast iron pipe and 60 feet of 24-inch cast iron pipe.

That it would be necessary to lay 260,813 ties and 8,928.72 tons of steel rails, requiring track fastenings as follows: 797 tons of angle bars, 91.9 tons of bolts, 300 tons of spikes, 205,920 tie plates, 41,950 rail braces, 47 switches complete, and 2 crossing frogs complete.

That it would be necessary to ballast with gravel 83.9 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1,000.00 per mile, and 7.89 miles of side track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$600.00 per mile.

That it would be necessary to lay and surface 91.79 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$700.00 per mile.

That it would be necessary to construct cattle guards, crossings,

and signs along the said line, which, for the purpose of ascertaining the cost of reproduction, are estimated to cost \$2,100.00.

That the interest of the Great Northern Railway Company in the telegraph lines along the said line would cost \$5,880.00.

That the transportation department buildings along the said line consist of 6,960 square feet floor area, of Great Northern standard frame station buildings, 384 square feet, floor area, frame freight sheds and warehouses, 6,912 square feet of stock yards; one set of 50-ton track scales; 4,836 square feet of cinder platforms, and 144 square feet of water closets.

That the furniture and fixtures now in use in the buildings along the said line are estimated to cost new, the sum of \$842.00.

That the road department buildings along the said line consist of 7,040 square feet, floor area, of Great Northern standard White section houses; 630 square feet, floor area, of Great Northern standard Chinese section houses; 1,344 square feet of tool sheds.

That the round houses and shops along the said line consist of one frame round house consisting of three stalls.

That along the said line there are eight complete water stations, which, for the purpose of estimating the cost of reproduction, are estimated to cost \$2,700.00 each. That the interlocking and signal apparatus along the said line is estimated to cost \$125.00.

That there are now along the said line 12 sections, the tools and equipment for which sections is estimated to cost \$200.00 per section.

#### No. 14.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. of the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be 5 per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment and legal and general expenses, costs of engineering and value of right-of-way and terminals.

#### No. 15.

That the records of the Great Northern Railway Company show that a large amount of money has been spent for riprap, retaining walls, slope walls, cribbing, bulk heads, shop tools and machinery,

fencing, miscellaneous structures other than those hereinbefore set out, and stores on hand. That the Commission finds that the amounts shown by the records as expended for such purpose was expended and the improvements were made, but from the evidence introduced the Commission is unable to apportion the amount expended for such purposes to the different lines hereinbefore set out, and for that reason the Commission now finds that the Great Northern Railway Company has placed on its lines in the state of Washington hereinbefore mentioned, 492,000 cubic yards of riprap and has constructed 36,000 cubic yards of retaining wall, 130,400 cubic yards of slope wall, and has expended for cribbing and bulk heading the sum of \$122,500.00, and for fencing the right-of-way the sum of \$80,371.04, and has expended for shop tools and machinery \$181,280.40, and for miscellaneous structures other than those enumerated before, the sum of \$241,181.58, and for stores now on hand in the state of Washington for use upon said lines the sum of \$360,904.26.

That it is necessary in the operation of a railroad to constantly have on hand stores, including fuel, and other material for the operation of trains and material for repair and reconstruction of tracks and equipment; and that the sum above stated is a reasonable amount to have on hand. That when such material is used by the Railroad Company it is charged to the operating expenses or to betterments and improvements as the facts may justify.

That the items mentioned in this finding are divided on a mileage basis in the findings hereinafter set out showing the cost of reproducing the main and branch lines within the state of Washington.

#### No. 16.

That in ascertaining the original cost of the equipment owned and used by the Great Northern Railway Company in Washington, the cost of reproducing the same new and its present value, such equipment has been ascertained in the manner hereinafter stated.

Locomotives were ascertained by finding the total original cost, the cost of reproducing new and the present value of all locomotives used on the entire divisions operating in the state of Washington, ascertaining the total locomotive mileage on such division and apportioning to the state of Washington in proportion that the locomotive mileage in the state of Washington bore to the mileage of such entire division.

#### No. 17.

That the operating divisions in Washington consist of the Spokane division extending from Troy, Montana, to Leavenworth, Washington. That the locomotive mileage on such entire division for the year ending June 30th, 1906, was 1,629,384 miles, of which 1,167,804 miles, or 71.6 per cent. thereof, was in Washington. That the entire engines assigned to such division cost, originally, the sum of \$554,218.70, leaving the original cost chargeable to the state of Washington for such engines, the sum of \$396,820.59.



That on the Cascade division extending from Leavenworth, Washington, to Everett, Washington, Seattle, Washington to Vancouver, British Columbia, and Anacortes to Rockport, the locomotive mileage for the year ending June 30th, 1906, was 1,700,921 miles, of which 1,650,258 miles or 97 per cent., was in the state of Washington.

That the locomotives used on and assigned to the Cascade division cost originally, as shown by the accounting records of the Great Northern Railway Company, the sum of \$739,986.31, and the amount chargeable to the state of Washington would be the sum of \$717,786.72.

That on the Spokane Falls & Northern division, covering the lines heretofore described as the Spokane Falls & Northern and the Columbia & Red Mountain, and the Washington & Great Northern, the locomotive mileage for the year ending June 30th, 1906, was 570,509 miles, of which 403,560 miles, or 70.7 per cent., were in Washington. That the original cost properly chargeable to the state of Washington was \$138,310.00.

That the locomotives on the entire Cascade division and the entire Spokane division consist of 101 locomotives, of which 10 have been in use 3 years, 7 have been in use 4 years, 24 have been in use 5 years, 3 have been in use 7 years, 15 have been in use 8 years, 3 have been in use 10 years, 12 have been in use 14 years, 1 has been in use 15 years, 1 has been in use 16 years, 2 have been in use 17 years, 2 have been in use 18 years, 11 have been in use 19 years, 3 have been in use 23 years, 5 have been in use 24 years, 1 has been in use 26 years and 1 has been in use 34 years, making an average time in use by the locomotives on such divisions of 9.5 years.

That the average age or time in use of the locomotives used on the Spokane Falls & Northern operating division is 10 years.

#### No. 18.

That in order to reproduce new at the present time, the locomotives properly chargeable to the state of Washington, the same would cost \$1,440,854.90.

That locomotives in use depreciate annually 3.6 per cent. of their value, and the present market value of the locomotives of the Great Northern Railway Company, properly chargeable to the state of Washington, is the sum of \$944,595.99.

#### No. 19.

The original cost, cost of reproducing the same new, and present value of the passenger cars used, properly chargeable to the state of Washington, have been ascertained by finding the total value of all passenger cars used on the Great Northern System, ascertaining the total mileage of passenger cars in the state of Washington and apportioned the same to the state of Washington as the mileage in the state of Washington bears to the entire system.

That the passenger cars on the entire system, as shown by the

accounting records of the Great Northern Railway Company, cost \$4,070,424.68.

That the passenger car mileage for the entire system for the year ending June 30th, 1906, was 44,779,961 miles, of which 6,812,593 miles or 15.214 per cent., was in the state of Washington.

That it would cost to reproduce new, the passenger cars properly chargeable to the state of Washington, on the tracks of the Great Northern in the state of Washington, based on such passenger car mileage, the sum of \$711,510.23.

That the said passenger cars have been in use in excess of 8.5 years, and that the said passenger cars would depreciate, while in use, annually, 3.6 per cent., and that the present cash market value of said passenger coaches, in their present condition, is the sum of \$492,394.42.

#### No. 20.

The original cost, cost of reproduction new and present cash market value of the freight cars properly chargeable to the state of Washington, has been ascertained by finding the total value of all freight cars used on the Great Northern system for the year ending June 30th, 1906, and the freight car mileage for the same period, in the state of Washington, and apportioning the same on the relative proportion that the freight car mileage in the state of Washington, bears to the freight car mileage on the entire system.

That the freight cars on the entire system of the Great Northern Railway Company cost, originally, as shown by the records of the Great Northern Railway Company, the sum of \$20,356,142.73.

That the freight car mileage for the entire system for the year ending June 30th, 1906, was the sum of 345,307,184 miles, of which 33,428,695 miles, or 9.681 per cent., was in the state of Washington.

That it would cost to reproduce new, the freight cars properly chargeable to the state of Washington, on the tracks of the Great Northern Railway Company's line in the state of Washington, based on such freight car mileage, the sum of \$2,345,786.86.

That said freight cars have been in use an average of 7.5 years and the annual depreciation for cars in use is approximately 3.6 per cent., and that the present cash market value of said freight cars applicable to the state of Washington, on the tracks of the Great Northern Railway Company in the state of Washington, in their present condition, is the sum of \$1,709,410.98.

#### No. 21.

That the original cost, cost of reproduction new and the present market value of the work and miscellaneous equipment properly applicable to the state of Washington, owned and operated by the Great Northern Railway Company, has been ascertained by finding the total cost, cost of reproduction and present value of such work and miscellaneous equipment, for the entire system of the Great Northern Railway Company, finding the total main and side track system as of June

30th, 1906, and the total main and side track mileage in the state of Washington and apportioning the same in the proportion that the main and side track mileage in the state of Washington bears to the main and side track mileage of the entire system.

That the total original cost of all the work and miscellaneous equipment, owned and operated by the Great Northern system as shown by its accounting records, was the sum of \$1,487,062.67.

That the total main and side track mileage of the system operated by the Great Northern system on June 30th, 1906, was 7,367.73 miles, of which 957.07 or 13 per cent. thereof were in the state of Washington.

That it would cost to reproduce such work and miscellaneous equipment properly applicable to the state of Washington on the lines of the Great Northern Railway Company in the state of Washington new, the sum of \$199,451.19.

That the said equipment has been in use an average of more than 7 years and the same would gradually depreciate by use, and that the present cash market value of such equipment properly applicable to the state of Washington on the lines of the Great Northern Railway Company in the state of Washington, is the sum of \$147,152.36.

#### No. 22.

That it would cost at the present time to reproduce the right-of-way, lands and terminal grounds of said railroad, owned and used by it for railroad purposes, and such as it now owns which in the immediate future will be necessary for it to use for railroad purposes, the sum of \$17,105,692.04, which sum is divided along the line of said railroad as follows:

From the Idaho-Washington boundary to the northerly limits of the city of Spokane, the sum of \$166,944.46.

That portion of the right-of-way from the west line of the city of Spokane to the boundary line between Spokane and Lincoln counties, the sum of \$38,869.

From such last mentioned point to the boundary line between Lincoln and Douglas counties, the sum of \$88,715.00.

From such last mentioned point to the center of the Columbia River, being the boundary line between Douglas and Chelan counties, the sum of \$55,236.00.

From such last mentioned point to the boundary line between Chelan and King counties, the sum of \$221,062.00.

From such last mentioned point to the boundary line between King and Snohomish counties on the main line of the said road, the sum of \$43,416.00.

From such last mentioned point to the southeast limits of the city of Everett, the sum of \$185,866.05.

That portion of the coast line extending from the southerly limits of the city of Everett to the south line of Snohomish county, the sum of \$186,092.50.

That portion of the coast line extending from the south line of

Snohomish county to the city limits of the city of Seattle, the sum of \$482,873.00.

From the north boundary of the city limits of the city of Everett to the boundary line between Snohomish and Skagit counties, the sum of \$126,598.50.

From the last mentioned point to the Whatcom-Skagit county boundary line, the sum of \$308,668.78, including the branch from Belleville to Yukon.

From the Whatcom-Skagit county boundary to the city limits of the city of Bellingham, the sum of \$252,290.00.

That portion from the northwest boundary of the city limits of Bellingham to the International boundary line at Blaine, the sum of \$348,453.80.

That portion extending from Anacortes to Rockport, the sum of \$252,361.30.

All that portion within the corporate limits of the city of Everett, the sum of \$1,077,750.00.

All that portion within the corporate limits of the city of Bellingham, the sum of \$552,610.00.

All that portion owned by the Great Northern Railway Company within the city limits of the city of Spokane and used by it for railroad purposes, such as it will require in the immediate future, the sum of \$1,562,228.33.

That the Great Northern Railway Company also owns within the corporate limits of the city of Spokane a tract of land lying south of College avenue and east of Cedar street, containing 1,098,945 square feet, 120,000 square feet of which is necessary for use by the said railroad for railroad purposes in the immediate future and is included in the cost of reproduction above set out.

All that portion of said tract south of a line drawn parallel with and 50 feet distant southerly from the center line of the main track as the same is now constructed between Monroe and Cedar street, and all that portion of said tract north of a point 50 feet north of the center line of the main tract of said Great Northern Railway as the same extends through said tract between Monroe and Cedar street, is not used for railroad purposes nor is the same necessary for the use of the said railroad company in the immediate future, but all that portion of said tract save and except the piece above described 100 feet in width extending through said tract, is owned and held by the Great Northern Railway Company for commercial purposes, the said property so held for commercial purposes being approximately 978,945 square feet, more or less, having a valuation of \$221,750.00, more or less.

That the Great Northern Railway Company also owns in addition to the property above described in Spokane leased to and occupied by the following named persons: A dwelling house leased by the Oriental Trading Company; coal yard, leased by Nelson Coal & Wood

Company; 3 pieces leased for storage ground for poles to the Pacific States T. & T. Co.; warehouse, leased to Minn. Linseed Oil Paint Co.; office, leased to Exchange Lbr. & Mfg. Co.; and a lumber yard, leased to Exchange Lbr. & Mfg. Co.; property leased to the Washington Mill Company for a dry kiln; property leased to the Syphers Machinery Co.; property leased to the Morgan Clamp Fence Co.; property leased to the Spokane Steam Laundry; property leased to the Havre Fuel Company; property leased to the Diamond Ice & Fuel Co.; property leased to the Crystal Marble Quarries Company; property leased to the Central Lumber Company for a lumber yard and warehouse; property leased to the Buffalo-Pitts Company for implement warehouses; property leased to the Phoenix Lumber Company for a lumber yard; property leased to B. Boyle for a wood yard; property leased to Mpls. Threshing Machine Company for machine warehouse; property leased to Jekins Luellwitz Lbr. Company for freight house; property leased to D. Boyington for warehouse; two pieces leased to the Empire Electric Company for storage yards; property leased to Mitchell Bros. for warehouses; property leased to the Washington Water Power Company for storage yard; property leased to the Spokane Implement Company for warehouse; property leased to Chas. G. Schrimps for warehouse; property leased to M. Seller & Company for warehouse; property leased to Bradley Engine & Machine Company for warehouse; property leased to Frank Johnson & Son for a dwelling; property leased to Frank Johnson & Son for a lumber yard; property leased to Frank, Emma and Wm. Johnson for lumber yard; property leased to Rudolph Dorn for coal shed; property leased to O. F. Ross for dwelling house; dwelling and barn leased to Mr. Schlenger; property leased to Washington Water & Power Company; property leased to the Portland Flour Mills Company for Echo Roller Mills; and property leased to the Standard Oil Company for steel storage tanks, and

The following property in Hillyard: Warehouse leased to W. G. Mulligan, Winters, Parsons & Boomer, Burns & Jordan, P. Welsh & Co., and Porter Bros.; office building leased to Winnans & Coble; fuel yard leased to Nelson Coal & Wood Company, and coal shed leased to the Havre Fuel Company.

From which leases above mentioned the Great Northern Railway Company receives from the lessees an annual rent approximating \$16,000.00, and which property is not at the present time used by the railroad company for railroad purposes.

#### No. 23.

That since the filing of the complaint herein, the Great Northern Railway Company has sold to the Northern Pacific Railway Company an undivided one-half interest in what is known as the joint terminal grounds of the Northern Pacific and Great Northern Railway Company in the city of Seattle, and the findings herein contained show the

value of the property at this time owned by the Great Northern Railway Company in the city of Seattle.

That the lands and real estate owned by the Great Northern Railway Company in the city of Seattle and used by it for railroad purposes including its undivided one-half interest in the joint terminal grounds, and such as is now owned by it and necessary to be used by it in the immediate future for railroad purposes, would cost to reproduce the sum of \$10,937,543.69.

That in addition to the lands and real estate above described, the Great Northern Railway Company owns in the city of Seattle the following described property: All that portion marked in red on the map designated as "Plat of part of Seattle tide lands showing the property owned by the G. N. Ry.," and further marked as "Tide land area east of 4th Ave.," said map being marked G. N. Exhibit "A," hereto annexed and made a part of these findings; lying south of Seattle Boulevard and east of 4th Avenue south and being portions of tide land blocks 341, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 276, 277, 278, 279, 280, 281, 282 and 283, and having a total square foot area of 3,864,096 feet, which property is not necessary for the present or immediate future needs of the company for railroad purposes, but is held by it for commercial purposes.

Also, block 13 in Maynard's Addition, the same being colored yellow on the map, such property being owned an undivided one-half by the Northern Pacific Railway Company and an undivided one-half by the Great Northern Railway Company, said block containing 5,920 square feet.

Also a portion of block 12 in Maynard's Addition, having a total area of 19,094 square feet.

Also a small portion of block 5, amounting to 7,140 square feet.

Also lots 7, 10 and 11 in block 36 of A. A. Denny's 6th addition to Seattle.

An undivided one-half of a portion of block 18, containing 26,640 square feet, the remaining one-half thereof being owned by the Northern Pacific Railway Company.

An undivided one-half interest in and to the east half of block 19, the remaining undivided one-half interest being owned by the Northern Pacific Railway Company.

The Great Northern Railway Company also owns the west one-half of said block 19, said block containing 56,124 square feet; also tract No. 145-148-149-152-153-154.

That portion of blocks 139 and 140 on which is erected the elevator and warehouse owned by the Great Northern Railway Company, and lots 9 and 10 and those portions of 11 and 12 in block 140, outside of the portion which is bulkheaded and filled, a portion of lots 5 to 10 inclusive in tide land block 146 outside of the portion which is filled and bulkheaded, amounting to 78,475 square feet, more or less, and lot 9 and that portion of lot 8 outside of the portion which is filled and

bulkheaded in block 147, containing 9,859 square feet, all being near Smith's cove and shown in the map hereunto annexed, marked G. N. "Exhibit B," hereby referred to and made a part of these findings, all of which commercial property is of the reasonable value of \$9,097,-489.66, and is not included in the \$17,105,692.04 mentioned in finding No. 22.

No. 24.

That it would cost to reproduce that part of the right-of-way and terminal grounds of the Great Northern Railway Company known as the Spokane Falls & Northern Railway Company, the sum of \$131,-399.00.

No. 25.

That it would cost to reproduce the right-of-way of the Great Northern Railway System known as the Columbia & Red Mountain Railway Company, the sum of \$8,279.00.

No. 26.

That it would cost to reproduce the right-of-way and terminals of that portion of the Great Northern System known as the Washington & Great Northern Railway Company, the sum of \$78,436.23.

No. 27.

That the said Great Northern Railway Company through the eastern portion of said state, traverses a rich agricultural section, producing annually large quantities of grain and hay destined for shipment over the lines of the said railroad company in car load lots, including approximately 8,000,000 bushels of wheat, large quantities of which wheat or its product in flour, are carried over the lines of the Great Northern Railway Company to Seattle and Everett, and after arriving at its destination in Seattle and Everett, are shipped to foreign ports.

That along the line of the Great Northern Railway Company in the state of Washington, there are adequate warehouses and facilities for handling or storage of grain, which warehouses are owned and operated by private individuals as warehousemen, but which warehouses add greatly to the facilities for freight shipments and add a value to the railroad line.

That in Seattle the docks and warehouses hereinbefore mentioned whether the same are owned by the Great Northern Railway Company or by private individuals, add value to the lines by reason of the fact that they furnish adequate facilities for the transshipment of freight consigned from the lines of the railroad to water and from steamboat lines to the said rail lines.

No. 28.

That the line of the Great Northern Railway Company in Western Washington traverses portions of the state producing large quantities

of fir and cedar lumber and cedar shingles, furnishing abundant tonnage eastward over its lines.

No. 29.

That since the construction of the line of the Great Northern Railway Company through the state of Washington, said company has expended large sums of money in advertising and exploiting the resources of the country adjacent to its lines and has encouraged immigration along its lines so that the territory adjacent and tributary to its rail lines has a comparatively large population and the density of traffic and the country tributary to its lines are comparatively highly developed, compared with other portions of the state of Washington, which density of traffic and population add value to the said lines.

No. 30.

That the Great Northern Railway Company and the Northern Pacific Railway Company jointly constructed a passenger station building in the city of Seattle, said station building costing, exclusive of the real estate, the sum of \$549,633.39.

That the same was erected and constructed in the years 1904 and 1905.

That it would cost the Great Northern Railway Company to reproduce its one-half interest in said station building, exclusive of the real estate upon which the same is constructed and erected, the sum of \$280,000.00.

No. 31.

That after a railroad is originally constructed and after the same is turned over to the operating department, improvements are constantly made in the grading and surfacing of the road by section men and by the operating department of the road, the expenditures of which is necessarily charged to the cost of operation and that for approximately five years after such road is turned over to the operating department the grade undergoes what is known as seasoning and after said term of five years said grade has appreciated in value and is approximately of a value 10 per cent. greater than its value would be at the time the same was turned over to the operating department. This seasoned value has, however, been considered and allowed in the unit quantities hereinbefore given and in the cost of reproduction hereinbefore set out.

That the tunnels remain of approximately the same value and neither appreciate nor depreciate.

That the bridges, trestles and culverts depreciate annually, wooden bridges materially and iron bridges but slightly.

That the present value of the bridges, trestles and culverts along the main line of the Great Northern Railway Company is approximately 81.43 per cent., and on the branch lines is approximately 53 per cent. of the cost of reproducing new.

That the ties, untreated, have an average life of approximately



7 years, and that as the same are renewed from time to time the expense is charged to operating expenses. That the Great Northern Railway Company have from time to time renewed their ties and the value of the ties on the 30th day of June, 1906, was approximately 35 per cent. of the cost of reproducing the same new.

That since the 30th day of June, 1906, the Great Northern Railway Company have added many new ties to their line so that the present value of the ties exceeds the allowance made on the 30th day of June, 1906.

That the rails, track fastenings and frogs and switches have depreciated so that the present value of the same is approximately 80 per cent. of the cost of reproducing the same new.

That the present value of fencing is approximately 55 per cent. of the cost of reproducing the same new.

That the present value of crossings, cattle guards and signs is approximately 60 per cent. of their value new.

That the interlocking and signal apparatus, telegraph lines, ballast, and track laying and surfacing is of equal value to its original cost.

That the present value of the transportation department buildings and fixtures is approximately 92 per cent. of their value new.

That the present value of the shops, round houses and turn tables is approximately 84 per cent. of their value new.

That the value of the road department buildings is approximately 76 per cent. of their value new.

That the value of the shop machinery and tools is approximately 65 per cent. of their value new.

That the value of the water and fuel stations is approximately 60 per cent. of their value new.

That the value of the miscellaneous structures is approximately 85 per cent. of their value new.

That the value of the section equipment is approximately 70 per cent. of its value new.

#### No. 32.

That it would cost to reproduce that portion of the line operated by the Great Northern Railway Company extending from the Idaho-Washington boundary line to Everett, and that portion from Seattle to Blaine, including the portion from Belleville to Yukon, including all structures and improvements, and considering such structures and improvements as new, and including all real estate and terminal grounds, including charges for engineering, grading, tunneling, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, station buildings and fixtures, shops, round houses and turn tables, shop machinery and tools, water stations, fuel stations, storage warehouses,

miscellaneous structures, docks and wharves, snow protection, taxes during construction, section equipment, legal and general expenses, interest during construction and present stores on hand, but not including equipment, the sum of \$45,741,928.55.

**No. 33.**

That the present value of the property mentioned in finding No. 32 in its present depreciated condition, as of the 30th day of June, 1906, basing the same solely upon the cost of reproducing the same new, is the sum of \$43,295,748.09.

**No. 34.**

That that portion of the line operated by the Great Northern Railway Company extending from Anacortes to Rockport, would cost to reproduce new, including all items mentioned in finding No. 32, the sum of \$1,903,920.58.

**No. 35.**

That the present value of the property mentioned in finding No. 34 in its present depreciated condition, based solely on the cost of reproducing the same new, is the sum of \$1,647,038.44.

**No. 36.**

That it would cost to reproduce that portion of the line extending from Spokane to Hillyard, and Colbert to Boundary, and from Northport of Velvet, including all the items mentioned in finding No. 32, considering the improvements and structures as new, the sum of \$3,310,457.52.

**No. 37.**

That the present depreciated value of the property mentioned in the foregoing finding, basing such value solely on the cost of reproducing the same new, is the sum of \$2,903,657.81.

**No. 38.**

That it would cost to reproduce that portion of the line operated by the Great Northern Railway Company extending from Marcus to Laurier and from Republic to the International boundary line, and from Curlew to the International boundary line, including all items mentioned in finding No. 32, considering the structures and improvements as new, the sum of \$3,017,649.86.

**No. 39.**

That the present depreciated value of the property mentioned in the foregoing finding, basing the same solely upon the cost of reproducing the same new, is the sum of \$2,747,081.41.

**No. 40.**

That it would cost to reproduce in its present condition, considering the tracks and improvements as new, all the lines operated by the

Great Northern Railway Company in the state of Washington, as the same existed on June 30th, 1906, and including therein all the items mentioned in finding No. 32, and including equipment, the sum of \$58,671,559.04.

No. 41.

That the present depreciated value of all the lines in the state of Washington operated by the Great Northern Railway Company, including equipment, such value being based solely on the cost of reproducing the same new, as the same existed on the 30th day of June, 1906, is the sum of \$53,887,079.50.

No. 42.

That the Great Northern Railway Company expended in the state of Washington, for betterments and improvements on their line between the 30th day of June, 1906, and the 30th day of June, 1907, the sum of \$371,083.31.

No. 43.

That during the fiscal year ending June 30th, 1908, the Great Northern Railway Company constructed and placed in operation 20.64 miles of road extending from Oroville, Washington, to the International Boundary, on which it expended the sum of \$616,634.00; that during said year it constructed an ocean dock 196 by 1810 feet floor area with grain warehouse and elevator connected therewith 144 by 792 feet floor area at Everett, and erected at Smith's cove, Seattle, a detention house 60 by 90 feet floor area; that during said year it enlarged its terminals at Seattle by building a commissary building 31 by 144 feet floor area and erecting and constructing a power house with a plant for heating the Union Passenger station jointly owned by it and the Northern Pacific Railway Company as aforesaid, and erected certain miscellaneous structures consisting of scrap bins, car cleaners and repairers buildings with sheds connected therewith and a standard section house; that during said year said railroad laid 6.22 miles of second track between Metum and Richmond Beach on the Coast Line and enlarged the round house at Leavenworth by constructing four additional stalls; 4,855 lineal feet of seawall was constructed between Everett and Ballard, Washington;

That in addition to the foregoing betterments and improvements added during said year to said line the following equipment was purchased during the fiscal years 1907 and 1908 and charged to cost of road, that is to say, during the year 1907, locomotives, \$2,865,190.44; passenger cars, \$490,505.60; sleeping, dining and parlor cars, \$5,363.18; baggage, express and postal cars, \$139,805.06; and other cars of all classes, \$2,490,668.50; making a total new equipment added to the entire line of the Great Northern Railway for said year 1907 of the sum of \$5,991,532.75.

And that during the fiscal year ending June 30th, 1908, there was added new equipment to the entire line of the Great Northern

Railway as follows; there was expended for locomotives the sum of \$2,499,326.91; for passenger cars, \$993,249.90; for freight cars, \$3,403,229.32; and for work equipment, \$84,464.20.

That it would cost to reproduce new all the items mentioned in finding No. 40, as of the 30th day of June, 1908, the sum of \$61,674,557.01.

No. 44.

That for the sake of brevity the words interstate freight and interstate tonnage, and state freight and state tonnage, are defined and used as follows:

Interstate freight or interstate tonnage is freight or tonnage that originates on the line of the said road within the state of Washington, passing over the lines within the state and over the lines of the said road beyond the limits of the state; or, freight originating outside the state of Washington, destined to points within the state and passing over the lines without the state and over the lines within the state of Washington; or, freight originating outside the state of Washington, destined to points without the state, passing over the said lines of said railroad without the state and over the lines of said railroad within the state; or, freight originating within the state of Washington, destined to points within the state of Washington but passing over the line of the said railroad both within and without the state.

State freight or tonnage as hereinafter used is freight originating on the lines of the railroad within the state of Washington, destined to points within the state of Washington, and passing over the lines of the said railroad wholly within the state.

Interstate passengers are passengers traveling on a continuous contract with said railroad company, over its lines, both within and without the state.

State passengers are passengers traveling over the said lines on continuous contracts on the lines wholly within the state of Washington.

No. 45.

That for the fiscal year ending June 30th, 1903, the Great Northern Railway Company carried over its lines in the state of Washington 203,171,520 ton miles of interstate freight and 77,590,262 ton miles of state freight.

That for the fiscal year ending June 30th, 1904, the Great Northern Railway Company carried over its lines in the state of Washington, 173,437,773 ton miles of interstate freight and 89,031,790 ton miles of state freight.

That for the fiscal year ending June 30th, 1905, the Great Northern Railway Company carried over its lines in the state of Washington, 237,942,642 ton miles of interstate freight and 81,058,283 ton miles of state freight.

That for the fiscal year ending June 30th, 1906, the Great Northern Railway Company carried over its lines in the state of Washington

341,879,816 ton miles of interstate freight and 137,967,571 ton miles of state freight.

That for the fiscal year ending June 30th, 1907, the Great Northern Railway Company carried over its lines in the state of Washington 315,334,144 ton miles of interstate freight and 140,976,169 ton miles of state freight.

That the average per cent. of ton miles carried over the said line during the five years above set out is 29.60 per cent. state freight and 70.40 per cent. interstate freight.

That of the ton miles of freight so carried over the lines in the state of Washington above set out, approximately 18.56 per cent. thereof consists of grain, including wheat, oats, flour, barley, feed and flax, of which 88.42 per cent. thereof was state tonnage carried an average distance of 194.9 miles and 11.58 per cent. thereof was interstate freight carried an average distance of 878.9 miles, 695.5 miles of which was over the lines of the said road without the state and 283.4 miles thereof was over the lines of the said road within the state.

That of the said ton miles so carried as aforesaid, approximately 47.74 per cent. thereof consists of lumber, of which lumber 5.74 per cent. thereof was state freight and moved an average distance of 95.7 miles, and 94.26 per cent. thereof was interstate freight moving an average distance of 1324 miles, 1040 miles of which was over the lines of the said road without the state of Washington and 284 miles over the lines of the said road within the state of Washington.

That of the said ton miles so carried as aforesaid, approximately 1.94 per cent. thereof consisted of logs and other forest products, of which 77.27 per cent. thereof is state freight moving an average distance of 28.3 miles and 22.73 per cent. thereof was interstate freight moving an average distance of 292.9 miles, 231.8 miles of which was over the lines of the said road without the state of Washington, and 61.1 miles of which was over the lines of the said road within the state of Washington.

That of the said ton miles so carried as aforesaid, approximately 1.77 per cent. thereof consisted of coal, of which 32.26 per cent. thereof was state freight moving an average distance of 70.7 miles, and 67.74 per cent. thereof was interstate freight moving an average distance of 339.3 miles, 278.6 miles of which was over the lines of said road without the state of Washington and 60.7 miles of which was over the lines of the said road within the state of Washington.

That of the said ton miles so carried as aforesaid, approximately 4.11 per cent. thereof consisted of iron and steel, 1.09 per cent. of which is state freight moving an average distance of 132 miles, and 98.91 per cent. of which is interstate freight moving an average distance of 1634.5 miles, 1376.8 miles of which was over the lines of the said road without the state of Washington, and 257.7 miles of which was over the lines of the said road within the state of Washington.

That of the said ton miles so carried as aforesaid, approximately .79 per cent thereof consists of iron and steel rails, of which 5.5

per cent. thereof was state freight moving an average of 94 miles, and 94.50 per cent. thereof was interstate freight moving an average distance of 1648.7 miles, 1386.3 miles of which was over the lines of said road without the state and 252.4 miles of which was over the lines of said road within the state.

That of said ton miles so moved as aforesaid, .36 per cent. thereof consisted of live stock, of which 75.72 per cent. thereof was state freight moving an average distance of 223.1 miles, and 24.28 per cent. thereof was interstate freight moving an average distance of 694.6 miles, 848.4 miles of which was over the lines of said road without the state of Washington, and 116.2 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .35 per cent. thereof consisted of hay, 98.62 per cent. of which was state freight moving an average distance of 96.6 miles, and 1.38 per cent. thereof was interstate freight moving an average distance of 94.5 miles, 47.5 miles of which was over the lines of the said company without the state of Washington and 47 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately 1 per cent thereof consisted of machinery, 6.61 per cent. of which was state freight moving an average distance of 82.4 miles, and 93.39 per cent. of which was interstate freight moving an average distance of 1631.7 miles, 1361.1 miles of which was over the lines of the said road without the state of Washington and 315.6 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .13 per cent. thereof consisted of fresh meat, 38.91 per cent. of which was state freight moving an average of 62.5 miles, and 68.02 per cent. thereof was interstate freight moving an average distance of 1280.5 miles, 1038.2 miles of which was over the lines of the said road without the state of Washington, and 242.3 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .43 per cent. thereof consisted of packing house products, 1.57 per cent. of which was state freight moving an average distance of 306 miles, and 98.43 per cent. thereof was interstate freight moving an average distance of 1787.8 miles, 1438.1 miles of which was over the lines of said road without the state of Washington and 349.7 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately 1 per cent. thereof consisted of canned salmon, 7.44 per cent. of which was state freight moving an average distance of 184.3 miles, and 92.56 per cent. thereof was interstate freight moving an average distance of 1748.8 miles, 1369.7 miles of which was over the lines of the said road without the state and 372.1 miles of which was over the lines of the said company within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .23 per cent. thereof consisted of butter, eggs and cheese, 2.67 per cent. of which was state freight and moved an average distance of 335 miles, and 91.33 per cent. thereof was interstate freight moving an average distance of 1752.6 miles, 1400.6 miles of which was over the lines of the said road without the state of Washington, and 352.6 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .34 per cent. thereof consisted of brick and stone, 66.58 per cent. of which was state freight moving an average distance of 40 miles, and 33.42 per cent. thereof was interstate freight moving an average distance of 148.4 miles, 81.1 miles of which was over the lines of the said company without the state of Washington, and 67.3 miles of which was over the lines of said company within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .42 per cent. thereof consisted of lime, cement and plaster, of which 51.11 per cent. thereof was state freight moving an average distance of 172.2 miles, and 48.89 per cent. thereof was interstate freight moving an average distance of 562.9 miles, 297.3 miles of which was over the lines of said road without the state of Washington, and 265.6 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .17 per cent. thereof consisted of sand and gravel, of which 71.72 per cent. thereof was state freight moving an average distance of 17.7 miles, and .28.28 per cent. thereof was interstate freight moving an average distance of 1579.5 miles, 1431 miles of which was over the lines of said road without the state of Washington, and 148.5 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .13 per cent. thereof consisted of fresh fruit, of which 40.25 per cent. thereof was state freight moving an average distance of 159.4 miles, and 59.75 per cent thereof was interstate freight moving an average distance of 730.9 miles, 568.6 miles of which was over the lines of said road without the state of Washington and 162.3 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .07 per cent. thereof consisted of vegetables, of which 7.49 per cent. thereof consisted of state freight moving an average distance of 69.3 miles and 92.51 per cent thereof was interstate freight moving an average distance of 819.1 miles, 777.7 of which was over the lines of the said road without the state of Washington, and 141.4 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .37 per cent. thereof consisted of beer and liquor, 16.13 per cent. of which was state freight moving an average distance of 132.6 miles and

83.87 per cent. of which was interstate freight moving an average distance of 1673.3 miles, 1356.1 miles of which was over the lines of the said road without the state of Washington and 317.2 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .45 per cent. thereof was furniture, new, all of which was interstate freight moving an average distance of 1673.3 miles, 1346.8 miles of which was over the lines of the said company without the state of Washington, and 274.7 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so moved as aforesaid, approximately 1.29 per cent. thereof consisted of ore, of which 12.98 per cent. thereof was state freight moving an average distance of 150 miles, and 87.02 per cent. of which was interstate freight moving 972.6 miles, 745 miles of which was over the lines of the said road without the state of Washington, and 227.6 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .03 per cent. thereof consisted of hops, of which all was interstate freight moving an average distance of 1448 miles, 1188.8 miles of which was over the lines of the said road without the state of Washington and 259.2 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so moved as aforesaid, approximately .27 per cent. thereof consisted of agricultural implements, of which 12.18 per cent. thereof was state freight moving an average distance of 23 miles, and 87.82 per cent. thereof was interstate freight moving an average distance of 1396.7 miles, 1205.7 miles of which was over the lines of the said road without the state of Washington and 191 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately 3.47 per cent. thereof consisted of less car loads of freight of which 40.01 per cent. thereof was state freight moving an average distance of 84.6 miles and 59.99 per cent. of which was interstate freight moving an average distance of 1242.5 miles, 991.3 miles of which was over the lines of said road without the state of Washington and 251.2 miles of which was over the lines of said road within the state of Washington.

That the balance of said ton miles so moved as aforesaid, approximating 14.58 per cent., consisted of miscellaneous car load freight moving under special commodity rates consisting of more than 100 commodities, of which approximately 9.70 per cent. thereof is state freight moving an average distance of 165.1 miles and 90.30 per cent. thereof is interstate freight moving an average distance of 1532.5 miles, 1241.4 miles of which was over the lines of said road without



the state and 291.1 miles of which is over the lines of said road within the state of Washington.

That of said freight hereinbefore referred to, the average net weight of the freight per car, designated in tons, is as follows:

On wheat, state, 35.08 tons per car; interstate, 31.08 tons per car.

Flour, state, 23.5 tons per car; interstate, 17.3 tons per car.

Feed, state, 14.15 tons per car; interstate, 14.6 tons per car.

Oats, state, 20.82 tons per car; interstate, 28.37 tons per car.

Corn, interstate, 32.98 tons per car.

Barley, state, 25 tons per car.

Fir lumber, state, 20.85 tons per car; interstate, 23.64 tons per car.

Cedar lumber and shingles, state, 16.37 tons per car; interstate, 17.05 tons per car.

Logs and other forest products, state, 29.82 tons per car; interstate, 23.10 tons per car.

Coal, state, 26.36 tons per car; interstate, 30.50 tons per car.

Iron and steel articles, state, 22.20 tons per car; interstate, 24.44 tons per car.

Rails, state, 28.80 tons per car; interstate, 42.74 tons per car.

Live stock, state, 11.16 tons per car; interstate, 11.30 tons per car.

Hay, state, 11.85 tons per car; interstate, 12.20 tons per car.

Machinery, state, 13.93 tons per car; interstate, 17 tons per car.

Fresh meat, state, 10.77 tons per car; interstate, 13.40 tons per car.

Packing house products, state, 13 tons per car; interstate, 13.70 tons per car.

Salmon, canned, state, 23.80 tons per car; interstate, 24.34 tons per car.

Butter, eggs and cheese, state, 14 tons per car; interstate, 12.6 tons per car.

Brick and stone, state, 29.59 tons per car; interstate, 30.20 tons per car.

Lime, cement and plaster, state, 23.31 tons per car; interstate, 20.3 tons per car.

Sand and gravel, state, 23.90 tons per car.

Fresh fruit, state, 12.20 tons per car; interstate, 13.80 tons per car.

Vegetables, state, 11.20 tons per car; interstate, 16.10 tons per car.

Beer and liquors, state, 14.81 tons per car; interstate, 16.29 tons per car.

Furniture, new, interstate, 10.41 tons per car.

Ore, state, 28.20 tons per car; interstate, 30.98 tons per car.

Hops, interstate, 12.30 tons per car.

Agricultural implements, state, 17.70 tons per car; interstate, 21.66 tons per car.

Other commodities in car load lots, state, 17.29 tons per car; interstate, 17 tons per car.

#### No. 46.

That for the fiscal year ending June 30th, 1905, the Great Northern Railway Company carried over its lines in the state of Washington

746,875 revenue earning state passengers, constituting 31,305,189 passenger miles, and that said passengers were carried an average distance of 41.91 miles each. That the said passengers paid to the said railway company an average of \$1.12131, being an average charge per mile of \$.02675.

That for the fiscal year ending June 30th, 1906, the Great Northern Railway Company carried over its lines in the state of Washington, 917,029 revenue earning state passengers, constituting 41,737,908 passenger miles. That said passengers were carried an average distance of 45.51 miles and that the said passengers paid to the said railway company an average of \$1.16551, being an average charge per mile of \$0.2561. That for the said fiscal year ending June 30th, 1906, the Great Northern Railway Company carried over its lines in the state of Washington 147,379 revenue earning interstate passengers, constituting 21,145,473 passenger miles, said interstate passengers being carried an average distance of 144 miles, and said passengers paying on an average to said railway company \$2.97 each, being an average charge per mile of \$.02075.

That for the fiscal year ending June 30th, 1907, the Great Northern Railway Company carried over its lines in the state of Washington, 1,099,382 revenue earning state passengers, constituting 48,034,795 passenger miles, said passengers being carried an average distance of 43.7 miles, and the said passengers paying to the said railway company an average of \$1.171, being an average charge per mile of \$.02686, and the said railway company carried over its lines in the state of Washington, 161,579 revenue earning interstate passengers, constituting 23,226,816 passenger miles, and that said passengers were carried an average distance of 143 miles, the said passengers paying to the said company an average of \$3.04 each, being an average charge per mile of \$.02118.

No. 47.

That the Great Northern Railway Company has a contract with the express company doing business over its lines by which it received 40 per cent. of the gross receipts of said express company, whether such business is state or interstate.

That for the fiscal year ending June 30th, 1906, the said express company paid to the said Great Northern Railway Company as its share of the earnings from the express business over its lines in the state of Washington, \$79,919.45, \$24,343.46 of which was for interstate express business and \$55,575.99 was for express business passing over its lines wholly within the state of Washington.

That for the fiscal year ending June 30th, 1907, the said express company paid to the Great Northern Railway Company under said contract, \$102,045.81, which includes the business done on the lines in the state of Washington, both state and interstate.

That the Commission is unable from the evidence before it to apportion the same between state and interstate business save and

except as the same may be ascertained from the division for the year 1906.

No. 48.

That for the fiscal year ending June 30th, 1905, the Great Northern Railway Company received from baggage storage charges local to the state of Washington, the sum of \$3,216.53.

That for the fiscal year ending June 30th, 1906, said railway company received from baggage storage and excess baggage local to the state of Washington, the sum of \$4,132.37. That the said railway company during the said fiscal year received a large sum of money from excess interstate baggage charges, which, apportioned to the state of Washington on a mileage basis, would show the revenue received by said road for carrying the same over its lines in the state of Washington, amounting to the sum of \$15,786.23.

That for the fiscal year ending June 30th, 1907, the said railway company received from extra baggage and storage local to the state of Washington, the sum of \$7,289.91, and during said fiscal year said road received from extra interstate baggage, which, apportioned to the state of Washington on a mileage basis, would amount to the sum of \$20,661.69.

No. 49.

That the Great Northern Railway Company has contracts with the United States for carrying mail over its lines. That the said railway company is paid for carrying said mail according to its weight.

The Commission further finds that of the mail carried in the state of Washington, over the lines of the said railroad, 56.73 per cent. thereof in weight was interstate mail and 43.23 per cent. thereof was mail local to the state of Washington.

That during the said fiscal year the United States paid the Great Northern Railway Company for mail passing over its lines in the state of Washington, the sum of \$122,145.45.

No. 50.

That for the fiscal year ending June 30th, 1906, the Great Northern Railway Company earned from miscellaneous sources not hereinbefore specified, the following sums:

Net balance on switching.....	\$ 58,528.27
From rents of buildings, lands, etc.....	14,379.01
For rents of tracks, yards, etc.....	14,926.35
From wharfage, dockage, etc.....	21,517.49
Demurrage and storage on freight and similar charges....	12,411.02
From lunch stands.....	4,286.69
Miscellaneous earnings from telegraph and telephone lines	356.93
Observation and sleeping cars, passing over the lines in the state of Washington, wholly within the state of Washington .....	18,933.17
From interstate observation and sleeping cars, basing the same on a mileage basis, said company earned in the state of Washington.....	46,129.27

## No. 51.

That on that portion of the line operated by the Great Northern Railway Company known as the Spokane Falls & Northern proper, there was carried for the fiscal year ending June 30th, 1905, over the lines of the said road, 475,198 tons of revenue earning freight, constituting 28,339,521 ton miles, said ton miles of freight being carried an average distance of 59.64 miles.

That for the fiscal year ending June 30th, 1906, there was carried over the said Spokane Falls & Northern, 460,573 tons, constituting 29,779,554 ton miles, said freight being hauled an average distance of 64.66 miles.

That for the fiscal year ending June 30th, 1907, there was carried over the said lines, of revenue earning freight, 504,716 tons, constituting 32,930,545 ton miles. That of said ton miles so carried as aforesaid, 1.44 per cent. thereof was grain, of which 71.94 per cent. thereof was state grain moving an average distance of 72.36 miles, and 28.06 per cent thereof was interstate, moving an average distance of 123.70 miles.

That of said ton miles so moved as aforesaid, 15 per cent thereof was lumber, of which 65.53 per cent. was state freight moving an average distance of 36.23 miles, and 34.47 per cent. thereof was interstate freight moving an average distance of 50.61 miles.

That of said ton miles so carried as aforesaid, 15.65 per cent. consisted of logs and other forest products other than lumber, of which 64.01 per cent. was state freight, being hauled an average distance of 36.77 miles, and 15.99 per cent. thereof was interstate freight, moving an average distance of 85.63 miles.

That of said ton miles so moved as aforesaid, 36.79 per cent. thereof was coal and ore, all of which was interstate, moving an average distance over the said lines of 89.72 miles.

That of said ton miles so moved as aforesaid, 5.26 per cent. thereof consisted of freight in less than car load, 64.29 per cent of which was state freight moving an average distance of 69.91 miles, and 35.71 per cent. of which was interstate freight moving an average distance of 91.30 miles.

That the remainder of said ton miles consisted of mixed merchandise other than merchandise above mentioned and consisted of innumerable commodities carried at commodity rates, amounting to 25.86 per cent thereof, of which 34.67 per cent was state freight moving an average distance of 63.60 miles, and 65.37 per cent. thereof was interstate freight moving an average distance of 86.94 miles.

## No. 52.

That for the fiscal year ending June 30th, 1905, the Spokane Falls & Northern Railway Company carried over its lines in the state of Washington, 126,670 revenue earning state passengers, constituting 6,313,175 passenger miles; that said passengers were carried an average distance of 49.84 miles; that the said passengers paid to the said

railway company an average of \$1.78519, being an average charge per mile of \$.03582.

That for the fiscal year ending June 30th, 1906, the Spokane Falls & Northern Railway Company carried over its lines in the state of Washington, 141,286 revenue earning passengers, constituting 7,911,744 passenger miles and that said passengers were carried an average distance of 56 miles each; that the said passengers paid to the said railway company an average of \$1.74485 per passenger, being an average charge per mile of \$.03116.

That for the fiscal year ending June 30th, 1907, the Spokane Falls & Northern Railway Company carried over its lines in the state of Washington, 199,457 revenue earning passengers, constituting 10,894,608 passenger miles; that said passengers were carried an average distance of 54.62 miles; that said passengers paid to the said railway company an average of \$1.51631 per passenger, being an average charge per mile of \$.02776.

No. 53.

That the said Spokane Falls & Northern Railway Company during the fiscal years ending June 30th, 1905, 1906 and 1907, had a contract with the Great Northern Express Company doing business over its lines, by which said company received 50 per cent. of the gross earnings for carrying express over the lines of the said railroad company.

That for the fiscal year ending June 30th, 1905, the earnings of the said Spokane Falls & Northern Railway Company from express business amounted to the sum of \$13,297.60.

That for the fiscal year ending June 30th, 1906, the earnings of the said railway company from express business amounted to the sum of \$14,084.14.

That for the fiscal year ending June 30th, 1907, the said railway company received for the carrying of express over its lines the sum of \$18,357.17.

No. 54.

That during the said three years ending June 30th, 1905, 1906, 1907, the Spokane Falls & Northern Railway Company had contracts with the United States for carrying the mail over its lines and that the said railway company was paid for carrying said mail according to the weight.

That for the fiscal year ending June 30th, 1905, the said railway company earned from carrying mail the sum of \$20,133.58.

That for the fiscal year ending June 30th, 1906, the said railway company earned for carrying mail the sum of \$20,172.12.

That for the fiscal year ending June 30th, 1907, the said railway company earned for carrying mail the sum of \$21,167.68.

No. 55.

That for the fiscal year ending June 30th, 1905, the Spokane Falls & Northern Railway Company received from baggage storage charges the sum of \$2,497.88.

That said company received from other items connected with transportation the sum of \$6,501.03.

That said company had for said year a car per diem and mileage balance of \$10,621.25.

That said company received from rents not otherwise provided for, the sum of \$5,050.85.

That said company received from other sources not before specified, the sum of \$2,413.21.

That for the fiscal year ending June 30th, 1906, the said company received from extra baggage and storage, \$2,632.70.

That said company received from other items connected with transportation the sum of \$4,902.55.

That said company received from other items connected with freight revenue, \$3,357.04.

That said company received from, car per diem and mileage balance the sum of \$1,675.16.

That said company received from rents not otherwise specified, the sum of \$3,749.81.

That said company received from other sources than as above specified, \$147.98.

That for the fiscal year ending June 30th, 1907, the said company received from extra baggage and storage the sum of \$2,936.18.

That said company received from other items connected with passenger service the sum of \$6,089.25.

That said company received from other items connected with freight service, the sum of \$6,648.98.

That said company received from rents not otherwise provided for, the sum of \$4,278.85.

That said company received from other sources not connected with transportation, the sum of \$1,975.01.

#### No. 56.

That on that portion of the line operated by the Great Northern Railway Company known as the Washington & Great Northern Railway Company, there was carried for the fiscal year ending June 30th, 1905, 85,102 tons of revenue earning freight, constituting 2,297,854 ton miles, said freight moving an average distance of 27 miles.

That for the fiscal year ending June 30th, 1906, there was moved over the said line 171,944 tons of revenue earning freight, constituting 4,699,548 ton miles, which freight was carried an average distance of 27.33 miles.

That for the fiscal year ending June 30th, 1907, there was carried over said line 201,486 tons of revenue earning freight, constituting 7,052,416 ton miles, said freight being moved an average distance of 35.10 miles.

That of said ton miles so moved as aforesaid, approximately .68 per cent, thereof consisted of grain, of which 21.49 per cent. was state freight, moving an average distance of 17.81 miles, and 78.51 per

cent. thereof was interstate freight moving an average distance of 37.53 miles.

That of said ton miles so moved as aforesaid, approximately 1.59 per cent thereof consisted of lumber, of which 74.96 per cent. was state freight moving an average distance of 22.64 miles, and 25.04 per cent. thereof was interstate freight moving an average distance of 24.66 miles.

That of said ton miles so moved as aforesaid, approximately 1.22 per cent. thereof consisted of forest products other than lumber, of which 41.76 per cent. thereof was state freight moving an average distance of 28.93 miles, and 58.24 per cent. thereof was interstate freight moving an average distance of 15.62 miles.

That of said ton miles so carried as aforesaid, approximately 45.63 per cent. thereof was coal and coke, all of which was interstate freight, and moved an average distance of 22.29 miles.

That of said ton miles so moved as aforesaid, approximately 5.68 per cent thereof consisted of merchandise in less than car load, 59.03 per cent. of which was state freight moving an average distance of 49.23 miles, and 40.97 per cent. thereof was interstate freight moving an average distance of 39.21 miles.

That of said ton miles so moved as aforesaid, approximately 25 per cent. thereof consisted of ore, all of which was interstate and moved an average distance of 23.22 miles.

That the remaining ton miles so moved as aforesaid, consisted of miscellaneous freight covering a great number of commodities, amounting to approximately 20.20 per cent. thereof, which is here classified as other car loads, and which was moved an average distance of 50 miles.

#### No. 57.

That for the fiscal year ending June 30th, 1905, the Wahsington & Great Northern Railway Company carried over its lines in the state of Washington, 37,693 passengers, constituting 889,861 passenger miles; that said passengers were carried an average distance of 23.61 miles; that said passengers paid to the said railway company an average of \$.17103, being an average charge per mile of \$.04113.

That for the fiscal year ending June 30th, 1906, the said railway company carried over its lines in the state of Washington 53,813 passengers, constituting 1,228,863 passenger miles, said passengers being carried an average distance of 22.83 miles; that the average amount received from each passenger was \$1.02609, making an average charge per mile of \$.04493.

That for the fiscal year ending June 30th, 1907, the said company carried over its lines in the state of Washington, 66,642 passengers, constituting 2,013,580 passenger miles, said passengers being carried an average distance of 30.21 miles; that the average amount paid by each passenger was the sum of \$.96081, being an average charge per mile of \$.0318.

**No. 58.**

That the Washington & Great Northern Railway Company had a contract with the Great Northern Express Company for carrying express over its lines for the fiscal years ending June 30th, 1905-1906-1907.

That for the fiscal year ending June 30th, 1905, the said railway company received for carrying express over its lines \$1,198.94.

That for the fiscal year ending June 30th, 1906, the said railway company received for carrying express over its lines \$2,232.04.

That for the fiscal year ending June 30th, 1907, the said railway company received for carrying express over its lines \$2,780.43.

**No. 59.**

That for the fiscal year ending June 30th, 1905, the said Washington & Great Northern Railway Company received for carrying mail over its lines the sum of \$2,605.22.

That for the fiscal year ending June 30th, 1906, the said railway company received for carrying mail over its lines the sum of \$2,862.99.

That for the fiscal year ending June 30th, 1907, the said railway company received for carrying mail over its lines the sum of \$6,938.82.

**No. 60.**

That for the fiscal year ending June 30th, 1905, the said Washington & Great Northern Railway Company received from charges for extra baggage and storage the sum of \$262.98,

And from other sources not connected with revenue, \$150.20.

That for the fiscal year ending June 30th, 1906, the said Washington & Great Northern Railway Company received from charges for extra baggage and storage the sum of \$286.92.

For miscellaneous items connected with freight earnings the sum of \$277.18.

For rents the sum of \$11.00.

That for fiscal year ending June 30th, 1907, the said railway company received from extra baggage and storage \$358.51.

From miscellaneous items connected with passenger revenue the sum of \$71.44.

From miscellaneous items connected with freight revenue the sum of \$491.77.

From rents \$83.50.

**No. 61.**

That on that portion of the line operated by the Great Northern Railway Company known as the Columbia & Red Mountain Railway Company, there was moved for the fiscal year ending June 30th, 1905, 158,233 tons of revenue earning freight, constituting 1,028,515 ton miles, moving an average distance of 6.50 miles.

That for the fiscal year ending June 30th, 1906, there was carried over the said line 68,144 tons of revenue earning freight, constituting 483,800 ton miles, carried an average distance of 7.10 miles, (there



being carried for the year 1906, approximately 90,000 tons of ore less than in 1905.)

That for the year ending June 30th, 1907, there was carried over the said lines 93,178 tons, constituting 650,246 ton miles, carried an average distance of 6.97 miles.

That said line, as before stated, extends from Northport to the International boundary where it connects with a line extending to Rossland, B. C. That practically all the freight moving over said line is interline freight, practically none originating on the line of the Columbia & Red Mountain, and was practically international in its character.

#### No. 62.

That for the fiscal year ending June 30th, 1905, the Columbia & Red Mountain Railway Company carried over its lines in the state of Washington 13,273 passengers, constituting 99,680 passenger miles; that said passengers were carried an average distance of 7.51 miles; that the said passengers paid to the said railway company an average of \$.28696, being an average charge per mile of \$.03821.

That for the fiscal year ending June 30th, 1906, the said railway company carried over its lines in the state of Washington, 13,780 passengers, constituting 103,480 passenger miles; that said passengers were carried an average distance of 7.51 miles; that said passengers paid an average of \$.27194 per passenger, being an average charge per mile of \$.03717.

That for the fiscal year ending June 30th, 1907, the said railway company carried over its lines in the state of Washington 15,009 passengers, constituting 112,718 passenger miles; that said passengers were carried an average distance of 7.51 miles; that said passengers paid said railway company an average of \$.27999, being an average charge per mile of \$.03728.

#### No. 63.

That during the said years the Columbia & Red Mountain Railway Company had a contract with the Great Northern Express Company for operating over its lines, by which each company received 50 per cent. of the gross earnings.

That said company received from the express business over its lines for the year ending June 30th, 1905, the sum of \$495.40; for the year ending June 30th, 1906, the sum of \$488.51, and for the year ending June 30th, 1907, the sum of \$591.90.

That during the said time the said company received for the carrying of mail for the fiscal year ending June 30th, 1905, the sum of \$738.88; for the fiscal year ending June 30th, 1906, the sum of \$729.59, and for the fiscal year ending June 30th, 1907, the sum of \$568.53.

That said railway company received from charges for excess baggage and storage for the year ending June 30th, 1905, the sum of \$52.92; for the fiscal year ending June 30th, 1906, the sum of \$50.13, and for the fiscal year ending June 30th, 1907, the sum of \$54.12.

That during such time it received from other sources not connected with transportation for the fiscal year ending June 30th, 1905, the sum of \$41.76; for the fiscal year ending June 30th, 1906, the sum of \$132.18, and for the fiscal year ending June 30th, 1907, the sum of \$207.37.

No. 64.

That as hereinbefore stated the Great Northern Railway Company was an operating company, controlling the lines operated by it through contracts and leases, or by virtue of owning the capital stock, or a majority of the capital stock and muniments of title of the companies and roads operated by it down to Nov. 1, 1907.

That the said Great Northern Railway Company operated the following described roads, to-wit:

The Seattle & Montana Railroad Company, with a mileage of 215.99 miles.

The Crows Nest Southern Railway Company, with a mileage of 199.66 miles.

The St. Paul, Minneapolis & Manitoba Railway Company, with a mileage of 3,875.23 miles.

The Park Rapids & Leech Lake Railway Company with a mileage of 49.04 miles.

The Dakota & Great Northern Railway Company, with a mileage of 282.35 miles.

The Minnesota & Great Northern Railway Company, with a mileage of 41.09 miles.

The Duluth, Superior & Western Terminal Company, with a mileage of 5.28 miles.

The Eastern Railway Company of Minnesota, with a mileage of 486.89 miles.

The Montana & Great Northern Railway Company, with a mileage of 142.99 miles.

The Duluth Terminal Company, with a mileage of 1.82 miles.

The Minneapolis Union Railway Company, with a mileage of 2.63 miles.

The Spokane Falls & Northern Railway Company, with a mileage of 130.51 miles.

The Red Mountain Railway Company, with a mileage of 9.59 miles.

The Columbia & Red Mountain Railway Company, with a mileage of 7.5 miles, and

The Washington & Great Northern Railway Company, with a mileage of 89.90 miles.

The Great Northern Railway Company also has trackage rights from Casselton to Fargo, 19.06 miles, and from Tilden Junction to Red Lake Falls, Minn., with a mileage of 10.57 miles, and from Lowell, Wash., to Delta, Wash., with a mileage of 2.75 miles.

Making a total mileage operated by it of 5,562.75 miles.

That the Seattle & Montana Railway Company was organized with a capital stock of \$14,000,000.00, all of which, with the exception of

\$450,000 worth, par value, is owned by the Great Northern Railway Company.

The entire capital stock of the Crows Nest Southern Railway Company is owned by the Great Northern Railway Company, as before stated.

That the St. Paul, Minneapolis & Manitoba Railroad Company was organized with a capital stock of \$20,000,000.00, \$19,664,000.00 par value of said capital stock being owned by the Great Northern Railway Company.

That the Park Rapids & Leech Lake Railway Company was organized with a capital stock of \$500,000.00, all of which is owned by the Great Northern Railway Company.

That the Eastern Railway Company of Minnesota was organized with a capital stock of \$16,000,000.00, \$11,000,000.00 of which is owned by the Great Northern Railway Company and \$5,000,000.00 of which is owned by the said railway company as trustee for the benefit of the stockholders of the St. Paul, Minneapolis & Manitoba Railway Company.

That The Montana & Great Northern Railway Company was organized with a capital stock of \$7,000,000.00, all of which is owned by the Great Northern Railway Company.

The Minneapolis & Union Railway Company was organized with an authorized capital stock of \$1,000,000.00, \$500,000.00 of which has been issued and is owned by the Great Northern Railway Company.

The Spokane Falls & Northern Railway Company, was organized with a capital stock of \$2,812,000.00, of which \$2,809,000.00 is owned by the Great Northern Railway Company.

That the Nelson & Fort Sheppard Railway Company was organized with a capital stock of \$1,500,000.00, all of which is owned by the Great Northern Railway Company.

The Red Mountain Railway Company was organized with a capital stock of \$190,600.00, all of which is owned by the Great Northern Railway Company.

That the Columbia & Red Mountain Railway Company was organized with a capital stock of \$264,400.00, all of which is owned by the Great Northern Railway Company.

That the Dakota & Great Northern Railway Company was organized with a capital stock of \$2,000,000.00, all of which is owned by the Great Northern Railway Company.

That the Washington & Great Northern Railway Company was organized with a capital stock of \$2,000,000.00, all of which is owned by the Great Northern Railway Company.

That the Minnesota & Great Northern Railway Company was organized with an authorized capital stock of \$2,500,000.00. All advances for construction have been made by the Great Northern Railway company and stock will be issued to and controlled by it.

That the Duluth, Superior & Western Terminal Company was organized with a total capital stock of \$2,000,000.00. The Great

Northern Railway Company is the lessee of said road for 99 years from May 1st, 1902, at an annual rental of \$20,000.00 and taxes.

That the funded or mortgage indebtedness on the lines hereinbefore mentioned, the payment of which mortgage indebtedness has been guaranteed by the Great Northern Railway Company and which is outstanding and in the hands of the public, amounts to the sum of \$100,227,939.39, and is made up as follows:

\$6,470,000.00 mortgage, bonds of the St. Paul, Minneapolis & Manitoba Railroad Company, bearing interest at 6 per cent. and falling due October 1st, 1909.

\$4,930,000.00 of the Dakota extension of the St. Paul, Minneapolis & Manitoba Railroad Company, bearing interest at 6 per cent. and falling due in 1910.

\$13,345,000.00 of the St. Paul, Minneapolis & Manitoba Railroad Company consolidated mortgage, falling due July 1st, 1933, bearing interest at 6 per cent., and \$19,250,000.00 of the same mortgage bearing interest at 4 per cent.

\$10,185,000.00 of the Montana extension of the St. Paul, Minneapolis & Manitoba Railroad Company, bearing interest at 4 per cent and falling due June 1st, 1937.

\$19,393,939.39 of the Pacific extension mortgage of the St. Paul, Minneapolis & Manitoba Railroad Company, being 50 year sterling bonds maturing July 1st, 1940, and bearing interest at 4 per cent.

\$4,700,000.00 bonds of the Eastern Railway Company of Minnesota First division, falling due July 1st, 1908, bearing interest at 5 per cent.

\$5,000,000.00 bonds of the Eastern Railroad Company of Minnesota, Northern division, bearing interest at 4 per cent and falling due July 1st, 1948.

\$6,000,000.00 bonds of the Montana Central Railway Company, bearing interest at 6 per cent., and \$4,000,000.00 of said company, bearing interest at 5 per cent, said two sums maturing July 1st, 1937.

\$3,646,000.00 of bonds of the Willmar & Sioux Falls Railway Company, bearing interest at 5 per cent. and falling due June 1st, 1938.

\$2,150,000.00 of Minneapolis Union Railway Company bonds, bearing interest at 6 per cent., and \$650,000.00 of said mortgage bonds, bearing interest at 5 per cent., maturing July 1st, 1922.

\$500,000.00 bonds of the Minneapolis Western Railway Company, bearing interest at 5 per cent. and maturing July 1st, 1911.

That the capital stock of the Great Northern Railway Company consists of 2,100,000 shares of the par value of \$100.00 each, constituting \$210,000,000.00 worth par value, of which \$149,577,300.00 has been issued and \$60,000,000.00 par value has been authorized to be issued.

That the stock of the Great Northern Railway Company has sold as expressed in the figures hereinafter given, the first figures showing the lowest price paid during the month and the second figures showing the highest price paid during such month.

## For the year 1903:

January .....	200 $\frac{3}{4}$	209
February .....	200	208
March .....	200	209
April .....	190.	...
May .....	189 $\frac{1}{2}$	...
July .....	173	190
August .....	165	175
September .....	170	...
October .....	160	165
November .....	168	...

## For the year 1904:

January .....	177	...
March .....	170	186
April .....	173	180
May .....	175	...
July .....	175	180
October .....	185	195
November .....	196	230
December .....	216	243 $\frac{1}{2}$

## For the year 1905:

January .....	236	254
February .....	250	300
March .....	290	310
April .....	270	335
May .....	265	296
June .....	278	284
July .....	281	294 $\frac{1}{2}$
August .....	287	326
September .....	311 $\frac{1}{2}$	327 $\frac{3}{4}$
October .....	314	327 $\frac{1}{2}$
November .....	264	315
December .....	268	292

## For the year 1906:

January .....	283	326 $\frac{7}{8}$
February .....	305 $\frac{1}{2}$	348
March .....	308 $\frac{1}{2}$	327
April .....	382	327 $\frac{1}{2}$
May .....	275	307 $\frac{3}{8}$
June .....	278 $\frac{1}{2}$	309
July .....	275	298 $\frac{1}{4}$
August .....	293 $\frac{1}{4}$	324
September .....	324	341
October .....	314	338 $\frac{1}{4}$
November .....	314	333 $\frac{1}{2}$
December .....	320	...

## For the year 1907:

January .....	164	189%
February .....	159	171½
March .....	126	163½
May .....	123	138½
June .....	122	132½
July .....	130	138%
August .....	114	133¼
September .....	123%	132
October .....	107½	131¼
November .....	109	116%
December .....	112%	122¼

That the bonds represented in the bond issue of \$6,470,000.00 of 6 per cent. bonds maturing in 1909, and \$4,439,000.00 maturing in 1910, of the St. Paul, Minneapolis & Manitoba Railway Company, sold in the open market as follows:

## For the year 1903:

January .....	113¼	...
February .....	113½	...
September .....	110¼	...
December .....	110%	...

## For the year 1904:

February .....	110½	...
April .....	107%	...
May .....	109	...
July .....	110¼	...
August .....	110¼	111
September .....	111%	112
October .....	109½	109%
November .....	110	110%
December .....	110%	...

## For the year 1905:

January .....	110½	111
May .....	108%	...
July .....	113	...
October .....	107%	108
November .....	108	...
December .....	108¼	...

## For the year 1906:

March .....	109¼	109½
April .....	106¼	...
September .....	108	...
November .....	105¼	...

## For the year 1907:

January .....	105½	105%
May .....	103	...

June .....	103%	...
December .....	101	...

That the bonds represented by the \$13,344,000.00 issue bearing interest at 6 per cent, included in the \$32,594,000.00 consolidated bond issue of the St. Paul, Minneapolis & Manitoba Railroad Company sold in the open market as follows:

For the year 1903:

January .....	134½	135½
February .....	134½	134%
April .....	131½	132½
May .....	132½	133½
June .....	132	...
July .....	127¼	127%
September .....	128	...
October .....	128¼	131%
November .....	132¼	...
December .....	133	...

For the year 1904:

January .....	130	131
February .....	130%	131
March .....	131	132
June .....	132	...
July .....	132½	132¾
August .....	133½	133%
September .....	134	134%
October .....	134%	...

For the year 1905:

February .....	137	...
March .....	137	138
April .....	136	137
June .....	139	...
July .....	138¼	...
August .....	138¼	...
September .....	139	...
October .....	139¼	140
November .....	139¾	...
December .....	139½	...

For the year 1906:

January .....	136¼	137½
February .....	137½	137½
May .....	133¾	...
June .....	133½	...
October .....	133	...
November .....	133¾	...

## For the year 1907:

January .....	131	...
March .....	131	...
April .....	131	...
May .....	131	...
June .....	130	...
October .....	125	...
November .....	119	...

That the bonds represented by the issue of \$19,250,000.00 worth contained in said \$32,594,000.00 bond issue last mentioned, sold in the open market as follows:

## For the year 1903:

January .....	110 $\frac{3}{4}$	111 $\frac{1}{2}$
February .....	111	111 $\frac{3}{4}$
April .....	109	110 $\frac{1}{2}$
May .....	111	...
June .....	110 $\frac{1}{4}$	110 $\frac{3}{4}$
July .....	108	...
August .....	107	...
September .....	108	...
October .....	108	108 $\frac{3}{4}$
November .....	110 $\frac{1}{2}$	...
December .....	109 $\frac{1}{2}$	110

## For the year 1904:

January .....	107 $\frac{1}{2}$	108 $\frac{3}{4}$
February .....	107 $\frac{1}{2}$	...
March .....	107 $\frac{3}{8}$	...
April .....	108 $\frac{1}{4}$	108 $\frac{1}{4}$
May .....	109	...
June .....	110	...
July .....	108 $\frac{3}{4}$	...
October .....	111 $\frac{1}{4}$	112 $\frac{3}{4}$
November .....	111 $\frac{3}{4}$	111 $\frac{3}{4}$

## For the year 1905:

January .....	112	112 $\frac{3}{4}$
February .....	111 $\frac{1}{4}$	...
March .....	111	111 $\frac{3}{8}$
May .....	111 $\frac{3}{4}$	...
June .....	113 $\frac{1}{2}$	113 $\frac{3}{4}$
July .....	111 $\frac{1}{2}$	...
October .....	113 $\frac{1}{8}$	115
November .....	113 $\frac{3}{8}$	113 $\frac{3}{4}$
December .....	113 $\frac{3}{8}$	...

## For the year 1906:

January .....	112 $\frac{1}{2}$	...
February .....	112	...



March .....	110½	111½
April .....	110¾	111½
May .....	110⅝	...
June .....	111½	...
August .....	107⅝	108
September .....	107¾	...
October .....	109¾	...
November .....	111	...
December .....	111	...

## For the year 1907:

January .....	108	108¾
February .....	108½	...
March .....	108	108¾
May .....	107⅝	...
June .....	107⅝	...
July .....	105½	...
October .....	104	...
December .....	102	103⅝

That the bonds represented in the St. Paul, Minneapolis & Manitoba Montana extension amounting to \$10,185,000.00, bearing interest at 4 per cent., sold in the open market as follows:

## For the year 1903:

January .....	103¾	104
February .....	102	103
March .....	102¾	108
April .....	102½	...
May .....	102½	...
June .....	100	...
July .....	100	101½
August .....	100	101
September .....	101	...
October .....	101	102½
November .....	101¾	102¾
December .....	100	101

## For the year 1904:

January .....	100	101½
February .....	101	101¾
March .....	101	101¾
April .....	101¾	101¾
May .....	102	103
July .....	103	...
August .....	103¾	104
September .....	103½	...
October .....	103¾	104
November .....	104	104½
December .....	103	103½

## For the year 1905:

January .....	103½	104
February .....	104	104½
March .....	103½	104¾
April .....	104 4-5	105
June .....	103	103¾
July .....	104	...
August .....	104¾	...
September .....	104½	...
October .....	104½	105½
November .....	104½	105¾
December .....	102¾	103

## For the year 1906:

January .....	103½	104½
February .....	103½	103¾
March .....	102	...
May .....	103¾	...
June .....	102½	...
July .....	100	100%
August .....	101	...
September .....	100¾	...
November .....	101	101½
December .....	100	...

## For the year 1907:

March .....	97½	...
April .....	99	100½
May .....	99%	...
June .....	87%	99
July .....	98¼	98½
August .....	98½	...
September .....	97	...
October .....	96½	...
November .....	94	94½
December .....	93¼	93½

That those certain bonds represented by the St. Paul, Minneapolis & Manitoba Pacific extension, aggregating \$19,393,939.39, were sterling bonds and sold to and held by residents of the United Kingdom.

That the Commission has been unable to ascertain any evidence tending to show that said bonds had ever been sold in the market in the United States and the Commission has been unable to ascertain their market value.

That the bonds represented in the issue hereinbefore mentioned of the Eastern Railway Company of Minnesota, First division, for the sum of \$4,700,000.00, bearing interest at 5 per cent., have sold in the open market as follows:

## For the year 1903:

February .....	105½	...
April .....	103½	...
May .....	104	...
July .....	103	...
August .....	103	104

## For the year 1904:

August .....	104½	...
October .....	102%	...

## For the year 1905:

March .....	104¾	...
August .....	104½	...
September .....	104¾	...
October .....	102%	...

## For the year 1906:

April .....	101¾	...
July .....	101½	...
August .....	101%	...
December .....	101½	101%

## For the year 1907:

May .....	100½	...
June .....	100%	100½
August .....	106½	...
September .....	100½	100%
December .....	99	...

That those certain bonds for the sum of \$6,000,000.00 represented by the bond issue of Montana Central Railroad Company, falling due in 1937, bearing interest at 6 per cent, hereinbefore mentioned, sold in the open market as follows:

## For the year 1903:

January .....	134	134½
March .....	134	...

## For the year 1904:

April .....	133	135%
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## For the year 1905:

January .....	135	...
September .....	136½	...

## For the year 1906:

January .....	136	...
February .....	136	...
May .....	134	...
June .....	134½	...
October .....	133	...

## For the year 1907:

February .....	131½	...
April .....	130	131
August .....	125	...

That those certain bonds represented by said bond issue last mentioned for \$4,000,000.00, bearing interest at 5 per cent., sold in the open market as follows:

## For the year 1903:

May .....	118½	...
August .....	110½	115
September .....	110¼	...
October .....	114⅞	116½
December .....	115⅝	121

## For the year 1904:

March .....	114½	...
September .....	116¾	...

## For the year 1905:

February .....	118¼	...
October .....	120	...
December .....	119⅝	120

## For the year 1906:

February .....	119¼	...
March .....	118⅞	119¼
August .....	116	...

## For the year 1907:

April .....	112	...
May .....	115½	...
December .....	105	...

That those certain bonds represented by the bond issue of the Willmar & Sioux Falls Railway Company for the sum of \$3,646,000.00, bearing interest at 5 per cent., and falling due in 1938, hereinbefore mentioned, sold in the open market as follows:

## For the year 1903:

December .....	114⅝	...
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## For the year 1904:

January .....	117	...
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## For the year 1905:

October .....	121½	...
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## For the year 1906:

December .....	115½	...
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That those certain bonds represented by the issue of the Minnesota Union Railway Company, falling due in 1922, for the sum of \$2,150,000.00, bearing interest at the rate of 6 per cent., contained in the issue of \$2,800,000.00 above referred to, sold in the open market as follows:

For the year 1905:

April .....	123	...
May .....	124	...

That the Commission has been unable to ascertain any evidence showing that any of the remainder of said bonds have sold in the open market, and have been unable to find that the bonds above described have been sold at times other than as above set forth.

#### No. 65.

The Great Northern Railway Company employed upon its lines in the state of Washington, excluding general officers, the following employees for the years hereinafter named, to whom it paid an aver-

#### ADDENDA.

The table showing the wages paid to, the number of days worked by and the average compensation of employees found on page 317 is compiled from the report made to the Railroad Commission by the company. The Interstate Commerce Commission in its rules of instructions to the railroads provided that the number of employees should be determined "from the pay rolls on June 30th, 1908." The number reported probably does not include any employees not on actual duty on said date.

CLASS.	Num-ber.	Total days worked.	Total annual compensa-tion.	Aver-age daily wage.
Other officers.....	2	811	\$6,530 48	8 06
General office clerks.....	57	21,159	48,030 60	2 27
Station agents.....	350	70,911	129,766 90	1 83
Other station men.....	127	31,398	131,873 51	4 20
Enginemen.....	153	31,244	83,421 58	2 67
Firemen.....	153	26,161	96,271 88	3 68
Conductors.....	333	57,346	123,868 41	2 16
Other trainmen.....	51	20,038	73,941 86	3 69
Machinists.....	55	17,349	44,238 72	2 55
Carpenters.....	376	155,948	386,772 79	2 08
Other shopmen.....	95	34,321	61,091 56	1 78
Section foremen.....	1,624	321,820	511,694 50	1 59
Other trackmen.....	12	4,802	6,530 48	1 36
Switch and crossing tenders and watchmen.....	113	28,861	65,516 48	2 27
Telegraph operators and dispatchers.....	702	140,853	298,607 62	2 12
All other employes and laborers.....				
<b>Total.....</b>	<b>4,204</b>	<b>993,022</b>	<b>\$2,068,156 32</b>	<b>2 08</b>

## FOR THE YEAR 1907.

CLASS.	Num-ber.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers.....	2	821	7,284 66	\$3 87
General office clerks.....				
Station agents.....	64	21,187	51,575 38	2 44
Other station men.....	440	90,028	171,043 77	1 90
Enginemen.....	164	47,898	204,281 81	4 31
Firemen.....	221	47,672	129,666 91	2 72
Conductors.....	194	41,430	151,229 50	3 65
Other trainmen.....	488	75,646	192,897 74	2 55
Machinists.....	150	29,698	108,687 09	3 66
Carpenters.....	101	22,201	65,270 53	2 94
Other shopmen.....	1,896	242,242	500,018 90	2 06
Section foremen.....	96	35,116	68,475 78	1 98
Other trackmen.....	2,225	520,896	885,523 01	1 70
Switch tenders, crossing tenders and watchmen.....	17	8,596	6,993 27	1 25
Telegraph operators and dispatchers.....	156	34,187	81,568 17	2 39
All other employes and laborers.....	714	185,209	289,346 61	2 14
Total.....	6,378	1,849,216	2,918,868 13	\$2 16

## FOR THE YEAR 1908.

CLASS.	Num-ber.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers.....	10	3,668	\$43,958 25	\$13 35
General office clerks.....	54	28,862	74,453 50	3 19
Station agents.....	82	22,302	57,762 05	2 59
Other station men.....	449	87,807	178,247 80	2 03
Enginemen.....	159	47,840	220,062 75	4 60
Firemen.....	175	48,590	143,164 80	2 95
Conductors.....	149	43,390	173,991 85	4 01
Other trainmen.....	279	77,456	216,973 40	2 80
Machinists.....	160	35,808	188,558 00	3 87
Carpenters.....	115	43,113	119,422 10	2 97
Other shopmen.....	578	325,242	712,280 85	2 19
Section foremen.....	188	35,948	75,480 45	2 10
Other trackmen.....	3,515	582,988	1,049,284 65	1 80
Switch tenders, crossing tenders and watchmen.....	89	10,190	14,752 55	1 45
Telegraph operators and dispatchers.....	116	39,596	105,956 15	2 68
All other employes and laborers.....	294	147,627	329,208 30	2 23
Total.....	6,862	1,574,744	\$3,658,459 45	2 32

## No. 66.

That from the consideration of the foregoing findings showing the amount expended for original construction of its lines, amount necessary to reproduce the property, its depreciated condition, the amount and value of its capital stock and funded indebtedness, the density of traffic and volume of business along its line, the physical condition and properties along its line, the facilities along its line for the transaction of business, and all and singular the findings hereinbefore set out, the Commission finds that the present cash market value of the lines hereinbefore mentioned and dealt with as being operated by the Great Northern Railway Company in the State of Washington, is the sum of \$59,577,212.00.

## No. 67.

That the operating divisions of the said railroad for the year 1906, in so far as the same affected the state of Washington, consisted of the Spokane division extending on the main line from Leavenworth, Wash., easterly 387.22 miles, 247.12 miles of which is within the state of Washington, and 140.10 miles of which is outside of the state; the branch lines of said road embraced within said division, being for the year 1906, entirely without the state of Washington, but at the present time said division would include the branch line known as the Spokane Falls & Northern system, which includes the Spokane Falls and Northern and the Columbia and Red Mountain and the Washington and Great Northern lines hereinbefore referred to; and the Cascade division extending on the main line west from Leavenworth to Seattle, Washington, and a branch line extending northerly from Everett to Vancouver, B. C., and the Rockport branch extending easterly from Anacortes to Rockport, said main line on said division consisting of 142 miles, all of which is within the state of Washington, and said branch lines on said division consisting of 184.96 miles, 160.86 miles of which are inside the state and 24.10 miles of which are outside the state and in the Province of British Columbia.

That for the fiscal year ending June 30th, 1906, the freight train miles on the main line of the Spokane Division situate within and confined to the state of Washington amounted to 505,491 and the passenger train miles amounted to 406,348.

That the freight train miles on the Cascade Division amounted to 427,891, and the passenger train miles amounted to 511,025.

Making a total freight train mileage within the state of 933,382 miles and a total passenger train mileage of 917,373 miles; and during said time the freight car miles on the lines within the state amounted to 30,531,628, of which 24,333,497 were loaded car miles and 6,198,131 were empty car miles, and the passenger car miles on said lines within the state during said year amounted to 6,027,200.

## No. 68.

That the proportionate relation of passenger business is greater on the Cascade division than on the Spokane Division, and the proportionate expense between passenger business and freight business is greater on such Cascade Division than on the Spokane Division.

## No. 69.

That the operating expenses charged to accounting divisions and charged to portions of divisions according to state lines is made by said railway company according to the rules adopted by it a copy of which is hereto annexed, marked exhibit C and made a part of these findings.

## No. 70.

That the cost of operating the Spokane Division within the state of Washington, as shown by the accounting records of said railroad for

the year 1906, was the sum of \$1,411,497.68, made up as follows: maintenance of way and structures \$337,145.17, maintenance of equipment \$235,866.24, conducting transportation \$734,397.34, general expenses \$104,088.73.

That the cost of operating the Cascade Division for said year was the sum of \$1,772,485.20, made up as follows: maintenance of way and structures \$447,310.50, maintenance of equipment \$227,381.02, conducting transportation \$978,276.75, and general expenses \$119,516.93.

Making a total cost of operation of the lines within the state of Washington as shown by said accounting records of the sum of \$3,183,982.88.

No. 71.

That of said sum of \$3,183,982.88 approximately \$2,211,913.00 was expended in the interests of and in moving and transporting freight traffic and approximately \$972,070.00 was expended in the interests of and in conducting the passenger department, which for the purpose of these findings includes mail matter, express, dining and sleeping cars, special passenger trains, baggage storage, lunch stands, telephone and teiegraph service.

No. 72.

That of the net ton miles specifically referred to in finding No. 45, as being moved over the said lines within the state for the year 1906, 286,811,729 ton miles was moved over the Spokane Division and 193,035,758 ton miles was moved over the Cascade division.

That of said ton miles so moved during said time as aforesaid grain constituted 18.10% of the total tonnage moved and 18.56% of the total ton mileage, of such grain 91.74% of the tonnage was state and 8.26% was interstate; of the ton miles of grain 88.42% was state and 11.58% was interstate. That grain constituted 37.13% of the total state tonnage and 63.37% of the total state ton miles, and of the total interstate tonnage grain constituted 2.71%, and of the total interstate ton miles 2.90%. Of the state grain approximately 31% of the tonnage and 35% of the ton miles was from points on the Central Washington branch of the Northern Pacific Railway moving over the Great Northern line from Adrian to Everett, a distance of 194 miles, and approximately 15% of the tonnage and 12% of the ton miles was from Wenatchee to Seattle, a distance of 165 miles, and approximately 54% of the tonnage and 53% of the ton miles was from points east of Wenatchee and West of Spokane; approximately 97% of the tonnage and 98% of the ton miles, state, was handled between main line points and 3% of the tonnage and 2% of the ton miles between main line points and branch line points.

Of the interstate grain approximately 19% of the tonnage and 17% of the ton miles was from Montana points with an average length of haul of 9.0 miles, 204 miles of which was within the state;



24% of the tonnage and 33% of the ton mileage was from points on the O. R. & N. and Northern Pacific to points on the Great Northern with a total length of haul over the lines of the Great Northern railroad of 369 miles, 315 miles of which was within the state and 44 miles of which was outside of the state. Approximately 13.50% of the tonnage and 3% of the ton miles was forwarded from points within the state to local points on the Great Northern Railway without the state, with an average haul of 295 miles, 47 miles of which was within the state. Approximately 32% of the tonnage and 28% of the ton miles was grain from Eastern Washington points to points outside of the state being about equally divided as to tonnage and ton miles between shipments to San Francisco from points on the Great Northern Railway and to Portland, Oregon, from points on the Central Washington branch of the Northern Pacific Railway, the average length of haul within the state being approximately 200 miles on the Great Northern Railway, the San Francisco tonnage being turned over to the steamship line at Seattle and the Portland tonnage turned over to the Northern Pacific at Everett. 12% of the tonnage and 19% of the ton miles was grain passing through the state being grain from points beyond the state line on the east to San Francisco, Portland and British Columbia points with an average length of haul of 1,443 miles, 366 miles of which was within the state. Interstate grain was handled entirely over the main line of the Great Northern railway with the exception of such tonnage as went to British Columbia points.

That of the tonnage and ton miles of lumber specifically mentioned in finding No. 45 approximately 74% of the state tonnage and 70% of the state ton miles was between main line points with an average length of haul of 102 miles; 16% of the tonnage and 29% of the ton miles was between main line points and branch line points with an average length of haul of 190 miles. Approximately 10% of the tonnage and 1% of the ton miles was switching, or between branch line points with an average length of haul of 10 miles. That of the tonnage between main line points approximately 25% thereof was from points east of Spokane into Spokane with an average haul of 25 miles, the remaining 75% of the main line tonnage having an average length of haul of 235 miles. Of the interstate lumber approximately 38.66% of the tonnage and 37.46% of the ton miles within the state was forwarded from main line points to main line points local on the Great Northern railway with a total average haul of 1,705 miles, 294 miles of which was within the state; 32.53% of the tonnage and 43.49% of the ton miles within the state was forwarded from branch line points within the state to main line points locally without the state with an average length of haul of 1,800 miles, 407 miles of which was within the state; 14.79% of the tonnage and 6.97% of the ton miles within the state was forwarded from main line points within the

state to points on other lines without the state with an average haul of 891 miles, 143 miles of which was within the state. Of this last item approximately 50% thereof in tonnage was turned over to the Northern Pacific and O. R. & N. at Spokane. 6.36% of the tonnage and 8.11% of the ton miles was from branch line points in the state to points on other lines without the state with an average length of haul of 1,106 miles, 382 miles of which was within the state. Of the interstate business approximately 2% of the tonnage originated on the main line in Idaho and was handled into the state an average distance of 60 miles and was delivered within the state, having an average haul of 60 miles, 10 miles of which was inside the state. Approximately 3.28% of the tonnage but less than one-half of one percent of the ton miles passed through the state, being lumber and shingles originating in Idaho and Montana and turned over to the O. R. & N. and the Northern Pacific at Spokane; 2.37% of the tonnage and 3.50% of the ton miles interstate originated largely in British Columbia on the coast and passed across and beyond the state with an average haul of 776 miles, 446 miles of which was within the state; the average length of haul on all interstate lumber and shingles was 1,040 miles, 284 miles of which was within the state. The average length of the branch line haul of 55.10% of the interstate ton miles was 60 miles and the main line haul thereon was 342 miles; the average length of haul on the main line of 44.43% of the ton miles was approximately 289 miles; the average length of 70% of the ton miles of state haul was 102 miles on the main line and no branch line haul; the average length of 29% of the state ton miles, between main line points and branch line points was 191 miles, approximately an average distance of 51 miles on the branch and 140 miles on the main line.

Of the ton miles and tonnage of logs and other manufactured forest products specifically mentioned in finding No. 45, logs constituted approximately 60% of the state tonnage and 30% of the ton miles and was practically all state business, the remaining 40% of the tonnage and 70% of the ton miles was made up of poles, cordwood, slabs and other unmanufactured forest products other than saw logs, and such other unmanufactured products had an average weight per car of 24.2 tons, with an average length of haul of approximately 60 miles. Of the state business of this commodity other than saw logs, 84.31% of the tonnage and 86.83% of the ton miles was between main line points with an average haul of 32 miles, 2.69% of the tonnage and 3.17% of the ton miles was between main line points and branch line points with an average haul of 35 miles, and 13% of the tonnage and 10% of the ton miles was between branch line points with an average haul of 24 miles. Of the interstate tonnage on these commodities other than saw logs 26% of the tonnage and 1% of the ton miles was between branch line points with an average haul of 13 miles, 2 miles of which was within the state, being shipments originating in British Columbia destined to Blaine. Approximately 74% of the tonnage and 99% of the ton miles was between main line

points. Of this tonnage practically one-half thereof was shipments in and out of Spokane with an average length of haul of 77 miles, 47 miles of which was within the state constituting approximately 37% of the tonnage and 40% of the ton miles, the remaining half being 37% of the tonnage and 58% of the ton miles constituted all shipments to the east with an average length of haul of 900 miles approximately, 240 miles of which was within the state.

Of the ton miles of coal specifically mentioned in finding No. 45 representing practically 3.56% of the total state tonnage and 2.20% of the total state ton miles, and 7.04% of the total interstate tonnage and 1.62% of the total interstate ton miles, 87% of the state tonnage and 86.4% of the state ton miles was between main line points, with an average haul of 69 miles, practically 50% thereof moving between Seattle and Everett with an average haul of 33 miles, the remaining state business being shipments from Spokane and Seattle to local points within the state with an average length of haul of approximately 100 miles. 12.7% of the tonnage and 13.6% of the ton miles was from main line points to points on the branch line with an average length of haul of 75 miles, divided 33 miles on the main line and 42 miles on the branch line. Of the interstate coal 80% of the tonnage and 79% of the ton miles was coal passing through the state being coal from Swinton and Fernie, B. C., destined to Northport, Rossland and Grand Forks, with an average length of haul on the Great Northern of 270 miles, 47 miles of which was in Washington. 18% of this tonnage and 13% of the ton miles was from the same British Columbia points into Spokane and Colbert with an average length of haul of practically 258 miles, 34 miles of which was within the state. 2% of the tonnage and 8% of the ton miles was from other eastern points and moved an average distance of 1,825 miles, 416 miles of which was within the state. Practically all of the interstate business was main line haul.

Of the iron and steel articles mentioned in said finding No. 45 the average net weight of the contents of the car on state business was 22.20 tons and consisted of an average haul of 132 miles, the interstate average net weight of the car was 24.44 tons moving a total distance of 1,634.5 miles, of which 257.7 miles was within the state. Practically all of the state iron and steel moved was handled on the Cascade division and of the interstate practically 95% of the ton miles represented shipments handled from the Idaho state line across the state to Puget Sound. Iron and steel articles represent 3.08% of the tonnage and 4.11% of the ton miles, of which the state tonnage was .06% and the state ton miles .05% and the interstate tonnage 3.02% and the interstate ton miles 4.06% of the total tonnage. The state tonnage on said articles represented 15% of the total state tonnage and 18% of the total state ton miles and the interstate business represented 5.36% of the total interstate tonnage and 5.43% of the total interstate ton miles.

That of the item of steel rail mentioned in said finding 45 con-

stituting .66% of the total tonnage and .79% of the total ton mileage, of which the state tonnage and ton mileage was .09% and .04% respectively, and the interstate .57% and .75% respectively, the state business constituting .20% of the tonnage and .17% of the ton miles, of the total state business, the interstate business representing 1.02% of the tonnage and 1% of the interstate ton miles. The average length of state haul was 94 miles and the average weight of the car was 28.80 tons; the interstate average length of haul was 1,638.7 miles, 252.4 miles of which was within the state with an average weight per car of 42.74 tons. All of the state rails was handled on the Cascade division. Of the interstate business the ton mileage represented a haul across the state approximately 37% on the Spokane division and 63% on the Cascade division.

Of the ton miles and tonnage of hay mentioned in said finding constituting .73% of the total tonnage and .35% of the total ton miles, of which the state tonnage and ton miles was .71% and .35% respectively and the interstate .02% and .01% respectively. The said tonnage and ton miles consisted of state 1.59% and 1.40% respectively of the state tons and ton miles, and the interstate tonnage and ton miles represented .03% and .01% of the total interstate tons and ton miles respectively. The average length of haul of the state hay was 96.6 miles, and the average net weight per car 11.85 tons; the average length of haul of the interstate hay was 94.5 miles, 47 miles of which was within the state with an average net weight per car of 12.20 tons. Practically 20% of the state ton miles was handled on the branches and 80% on the Cascade division. Of the interstate hay practically all was handled in and around Spokane on the Spokane division.

Of the tonnage and ton miles of machinery mentioned in said finding constituting .72% of the total tonnage and 1% of the total ton miles, of which the state tonnage and ton miles was .15% and .07% respectively and the interstate .57% and .94% respectively and which constituted .35% and .27% of the state tons and ton miles respectively and 1.02% and 1.28% of the total interstate tons and ton miles respectively. The average length of haul of the state business was 82.4 miles and the average net weight of the car was 13.93 tons; the average length of haul of the interstate business was 1,631.7 miles, 315.6 miles of which was within the state and the average net weight of the interstate car was 17 tons. Practically 75% of the state ton mileage of machinery was handled on the Cascade division and 25% on the branches, the interstate ton miles of machinery all moved entirely across the state and would be divided between the Spokane and Cascade division on the basis of 63% Spokane and 37% Cascade division.

Of the tonnage and ton miles of canned salmon mentioned in said finding constituting .56% of the total tonnage and 1% of the total ton miles, of which the state tonnage and ton miles was .08% and .07% respectively, and the interstate business was .48% and .93%

respectively, and which constituted .17% and .30% of the total state tons and ton miles, and .85% and 1.25% of the total interstate tons and ton miles respectively. The average length of the state haul was 184.3 miles and the average net weight of the car was 23.8 tons; the average length of haul of the interstate salmon was 1,741.8 miles, 372.1 miles of which was inside the state and the average net weight of the car, interstate, was 24.34 tons. State salmon moved up and down the coast line, 50% of the ton miles being handled on the branches and 50% being handled on the main line between the Sound and Spokane and intermediate points. Some interstate salmon moved from British Columbia points to Puget Sound points, thus reducing the average length of haul inside the state. Practically all of the interstate business moved over the Cascade and Spokane divisions across the state.

Of the tonnage and ton miles of brick and stone which constituted 1.44% of the total tonnage and .34% of the total ton miles, of which the state tons and ton miles was 1.11% and .22% respectively, and the interstate .33% and .12% respectively which constituted of the total state tons and ton miles 2.56% and .91% respectively and of the total interstate tons and ton miles .58% and .15% respectively. The average length of haul of the state business was 40 miles, and of the interstate business 148.4 miles, of which 167.3 miles was within the state; the average weight of car of the state business was 29.59 tons per car and of the interstate business 30.20 tons per car. Of the state ton miles practically 25% was handled on branch lines, 50% on the Cascade division and 25% on the Spokane division. Of the interstate business practically all was handled on the Spokane division.

Of the tons and ton miles of sand and gravel mentioned in said finding constituting .17% of the total ton miles, and 1.31% of the total tonnage, of which the state tons and ton miles was 1.25% and .12%, respectively, the interstate tons and ton miles being .06% and .05%, respectively, and which state business constituted .287% of the total state tons and .46% of the total state ton miles, and the interstate business constituted .11% and .06%, respectively; of the total state tons and ton miles the average length of haul of state business was 17.7 miles, with a net average weight of car of 23.90 tons, the average length of haul of the interstate business was 1579.5 miles, of which 148.5 miles was inside the state and the average net weight of the car was 23.90 tons. Practically all of the state tonnage was handled on the Cascade branches and the interstate tonnage was handled on the Spokane and Cascade main line.

Of the said tons and ton miles of ore mentioned in said finding constituting 1.16% of the total tonnage and 1.29% of the total ton miles, of which the state tons and ton miles was .22% and .17%, respectively, and the interstate tons and ton miles was .94% and 1.12%, respectively. Of the total state tons and ton miles, ore constituted .49% and .67%, respectively, and of the total interstate tons and ton miles,

ore constituted 1.67% and 1.49%, respectively. The average length of haul of state business was 150 miles, and the average net weight of the car was 28.20 tons; the average length of haul of the interstate business was 972.6 miles, 227.6 miles of which was inside the state, and the average weight of the car was 30.98 tons. The interstate ore was handled practically across the state on the Spokane and Cascade main line, while the state business was practically all Cascade division main line.

Of the said tons and ton miles mentioned in said finding comprising miscellaneous commodities handled in carloads and carload lots 13.38% of the total tonnage and 17.61% of the total ton miles, of which the state tonnage and ton miles represented 3.69% and 2.25%, respectively, and the interstate tonnage and ton miles was 9.69% and 15.36%, respectively, of which the state tons and ton miles constituted 10.14% and 9.72%, respectively, of the total state tonnage and ton miles, and of which the interstate tonnage and ton miles constituted 19.94% and 23.34%, respectively, of the total interstate tonnage and ton miles. Of the state business approximately 89% of the tons and ton miles was between main line points, with an average length of haul of 102.1 miles, 11% of the tonnage and ton miles was between main line points and branch line points, with an average length of haul approximately 100 miles, divided 21 miles on the branch lines and 79 miles on the main line, and the net average weight per car of such state business was 17.29 tons. Of this state ton miles practically 70% was equally divided as between the Spokane and Cascade division, 20% of the ton mileage was divided 37% on the Cascade division and 63% on the Spokane division, the remaining 10% of the ton mileage being hauled 8% over the Cascade division main line and 2% over the branch line. Of the interstate business approximately 62.86% of the tonnage and 64.61% of the ton miles was hauled into the state with an average length of haul approximately 1,550 miles, 300 miles of which was inside the state and was main line haul on the Spokane and Cascade divisions. 18% of the interstate tonnage and 19% of the interstate ton miles was forwarded from main line points within the state to points without the state, with an average length of haul of approximately 1,600 miles, of which practically 300 miles was within the state. 6% of the interstate tonnage and 7% of the interstate ton miles was to or from branch line points within the state, with an average length of haul of 1,650 miles, 387 miles of which was within the state. Approximately 14% of the tonnage and 10% of the ton miles passed through the state, with an average length of haul of 1,463 miles, 190 miles of which was within the state. Of this last item, while the goods all passed through the state, they did not pass over the entire line of the Great Northern road, but were delivered to other connecting lines; with an average net weight per car of interstate business of 17 tons.

Of the tonnage and ton miles of less than carload business mentioned in said finding representing 4.67% of the total tonnage and 3.33% of the total ton miles, of which the state tons and ton miles was

3.10% and 1.33%, respectively, and the interstate tonnage and ton miles was 1.33% and 2% respectively. Of the total L. C. L. business 66.43% of the total tonnage and 40.1% of the ton miles was state business and 33.57% of the tonnage and 59.99% of the ton miles was interstate. Such state L. C. L. business represented 6.93% of the total state tonnage and 5.14% of the total state ton miles, and the interstate business of this class represented 2.83% of the total interstate tonnage and 2.70% of the total interstate ton miles. The average net weight of the car being, state 5 tons, interstate 8 tons, the state business was handled an average distance of 84.6 miles, and practically 90% of the ton miles was in and out of Seattle and Spokane, and of this 90%, 80% was from these two cities, the balance being handled between other points within the state. Of this interstate business more than 70% of the ton miles was in and out of Spokane and Seattle, and more than 85% of this 70% was into Seattle; the average length of haul being 1,242.5, 251 miles of which was within the state. All of the business above mentioned moving into Seattle moved across the Spokane and Cascade division main line.

No. 73.

That of the tonnage handled over the lines of said railroad within the state of Washington approximately 44.71% of the tonnage was state business and 55.29% of the tonnage was interstate business, and of the total ton miles handled over the lines within the state approximately 29.60% was state business and 70.40% was interstate ton miles.

No. 74.

That the average cost of moving a ton of freight one mile over the lines, divisions and branches, as the same does move divided by the methods adopted by said company above referred to is approximately as follows: On the Spokane division .3530 cents, on the Cascade division .6587 cents, on the combined Spokane and Cascade division main line .4760 cents and on the branches of the Cascade division 1.4280 cents; the average cost of moving a ton of freight one mile in the state by such company, according to the accounting method adopted by it, was .4760 cents; that the figures in this finding hereinafter given as to the relative or percentage cost of moving the different commodities are based on the cost of moving the average ton mile above mentioned of .4760 cents.

That the cost of moving a ton of state grain one mile as the same moves over the different lines and branches is .7176% of the average cost of moving the average ton of freight one mile; that the cost of a ton of interstate grain over the lines in this state is .8136% of the average cost aforesaid.

That the cost of moving a ton of state lumber in this state one mile is 1.1197% of the average cost aforesaid; that the average cost of moving a ton of interstate lumber over the lines in this state is .7722% of the average cost aforesaid.

That the cost of moving a ton of state logs and other forest products in this state one mile is 1.6355% of the average cost aforesaid; that the average cost of moving a ton of interstate logs and other forest products over the lines of the said company in this state is .9832% of the average cost aforesaid.

That the cost of moving a ton of state coal over the lines of the said company in this state one mile, is 1.2737% of the average cost aforesaid; that the average cost of moving a ton of interstate coal over the lines of the said company in this state is .6985% of the average cost aforesaid.

That the average cost of moving a ton of state iron and steel articles over the lines of the said company in this state is 1.2422% of the average cost as aforesaid, and the average cost of moving a ton of interstate iron and steel articles over said road is .8632% of the average cost aforesaid.

The average cost of moving a ton of state steel rails over lines of the said company in this state is 1.0363% of the average cost aforesaid, and the average cost of moving a ton of interstate steel rails over the said line is .7334% of the average cost aforesaid.

That the average cost of moving a ton of state hay over the lines of the said company in this state is 2.1922% of the average cost aforesaid, and that the average cost of moving a ton of interstate hay over the lines of the said company is 1.7811% of the average cost aforesaid.

That the average cost of moving a ton of state machinery over the lines of the said company in this state is 1.9294% of the average cost aforesaid, that the average cost of moving a ton of interstate machinery over the lines of the said company is 1.0567% of the average cost aforesaid.

That the average cost of moving a ton of state canned salmon over the lines of the said company in this state is 1.4226% of the average cost aforesaid, and the average cost of moving a ton of interstate canned salmon over the lines of the said company is .8802% of the average cost aforesaid.

That the average cost of moving a ton of state brick and stone over the lines of the said company in this state is 1.3527% of the average cost aforesaid, and that the average cost of moving a ton of interstate brick and stone over the lines of the said company is 1.1506% of the average cost aforesaid.

That the average cost of moving a ton of state sand and gravel over the lines of said company in this state is 2.7155% of the average cost aforesaid, and that the average cost of moving a ton of interstate sand and gravel over the lines of said company is .6712% of the average cost aforesaid.

That the average cost of moving a ton of state ore over the lines of said company in this state is 1.1403% of the average cost aforesaid, and that the average cost of moving a ton of interstate ore over the said lines is .8241% of the average cost aforesaid.

That the average cost of moving a ton of state other carloads over



the lines of said company in this state is 1.2065% of the average cost aforesaid, and the average cost of moving a ton of interstate other carloads is 1.00% of the average cost aforesaid.

That the average cost of moving a ton of state less than carloads over the lines of the said company in this state is 7.2884% of the average cost aforesaid, and the average cost of moving a ton of interstate less than carloads over the said lines is 1.8487% of the average cost aforesaid.

**No. 75.**

That the cost of operating the different divisions as shown by the rules adopted by the said company and hereinbefore referred to is ascertained by charging to such division, among other charges, the total expense of station employees, yard masters, clerks, railroad conductors and brakemen and all expenses incurred at such point, irrespective of whether the service performed is for the benefit of freight confined to such division or for the benefit of freight moved over the entire line of said company.

The cost of moving a carload is made up of the terminal and assembly expense, the hauling charge and the terminal and distribution charge at the end of the haul, which divided by the miles hauled gives the cost per ton per mile of moving a carload. By the rules adopted by said company the terminal charge on interstate business both received and forwarded, as well as the assembly charge on all forwarded freight originating on either main line or expensively operated branch lines in this state, is charged to the cost of moving such interstate freight over the lines in the state of Washington.

The revenue credited to interstate freight is credited to earnings to the state in the proportion which the miles such freight is carried within the state bears to the total miles such freight is carried.

That by distributing the terminal charges on interstate freight received and forwarded, together with the increased assembly charges, on the expensive branch lines and on forwarded interstate freight over one half the total haul of such interstate freight the cost of operating the lines in Washington properly applicable and chargeable to the cost of freight movement for the fiscal year ending June 30th, 1906, is reduced from the apparent charge of \$2,211,913 before referred to, to \$2,129,200.00.

**No. 76.**

That of said sum of \$2,129,200.00 expended in handling freight traffic over the lines of the Great Northern Railroad in the state of Washington, \$712,788.00 thereof was expended in handling and for the benefit of state freight, and \$1,416,412.00 was expended in handling and for the benefit of interstate freight.

That of said sum of \$972,070.00 mentioned in finding 71 as expenses incurred in the passenger department, \$145,665.00 was expended in moving mail and express matter and baggage and in operating dining cars, sleeping cars, lunch counters, telephone and telegraph lines,

leaving \$826,405.00 properly chargeable to passenger service, or, against passenger revenue.

That of said sum of \$145,665.00 expended as aforesaid, \$39,959.00 was incurred in handling express business, of which \$27,788.00 was incurred in handling state express and \$12,171.00 was incurred in handling interstate express; the sum of \$61,077.00 was expended in handling mail matter, of which \$26,426.00 was incurred in handling state mail and \$34,646.00 was incurred in handling interstate mail; the sum of \$9,954.00 was incurred in handling excess baggage and in storing baggage, of which \$2,066.00 was state and \$7,893.00 was interstate; the sum of \$2,143.00 was incurred in conducting lunch stands, all of which was expended on state business; the sum of \$32,531.00 was expended in operating sleeping, dining and combined observation and grill cars, of which \$9,467.00 was incurred on state business and \$23,064.00 was expended on interstate business.

No. 77.

That of said sum of \$826,405.00 expended in handling and for the benefit of the passenger business, \$548,485.00 was expended in handling and for the benefit of the state passenger business and \$277,920.00 was expended in the handling of and for the benefit of the interstate passenger business moving over the said lines.

No. 78.

That between the years 1900 and 1906 the line of the Great Northern Railway in the state of Washington was not kept in as high a state of efficiency as the nature of the business conducted thereon should demand; insufficient tie renewals were made and the track was not kept properly surfaced and in proper repair, and that in the year 1906 and 1907 numerous wrecks occurred on said line, and that during the years 1907 and 1908 very extensive repairs were made on such property and the cost incident thereto was greatly in excess of what it should have been had renewals and improvements been properly made during the preceding years above mentioned; that renewals of ties and track surfacing is charged to operating expenses; that the operating expenses of the Great Northern Railway Company hereinbefore mentioned increased from \$3,183,983.00 in 1906, to \$4,992,615.00 in 1907, and to \$6,233,912.00 in 1908, whereas there was carried in 1907, over the lines of the said railroad within the state 23,537,164 ton miles of freight less than was carried in 1906.

That the item charged for maintenance of way and structures within the state of Washington for 1905 was the sum of \$707,957.00, amounting to \$1,306.00 per mile of road.

That in 1906, the amount charged for maintenance of way and structures on the lines in the state of Washington was the sum of \$781,487.19, amounting to the sum of \$1,429.00 per mile of road.

That for the year 1907, the amount charged for maintenance of

way and structures on the lines in the state of Washington increased to \$1,436,187.00, or the sum of \$2,625.00 per mile.

That for the year 1908, the amount expended for maintenance of way and structures on the lines in this state was \$1,741,011.91, or \$2,160.00 per mile.

That the amount expended by the Great Northern Railway Company for maintenance of way and structures on its entire line was, per mile of road, as follows: 1901, the sum of \$852.00; 1902, the sum of \$831.00; 1903, the sum of \$944.00; 1904, the sum of \$886.00; 1905, the sum of \$1,004.00; 1906, the sum of \$1,109.00; 1907, the sum of \$1,361.00, and 1908, the sum of \$1,502.00, making an average expenditure for maintenance of way and structures during said eight years, per mile of road of \$1,061.00.

That the lines of the Northern Pacific Railway Company traverse a similar section of country throughout its length to that traversed by the Great Northern Railway, and the amount expended by the Northern Pacific Railway Company per mile of road during the same period was as follows: 1901, the sum of \$1,059.00; 1902, the sum of \$1,337.00; 1903, the sum of \$1,396.00; 1904, the sum of \$1,257.00; 1905, the sum of \$1,393.00; 1906, the sum of \$1,393.00; 1907, the sum of \$1,680.00, and 1908, the sum of \$1,605.00, making an average cost per mile expended by the Northern Pacific Railway during said eight years for maintenance of way and structures of \$1,390.00 per mile.

That the Commission has been unable to ascertain the expenditure incurred for maintenance of way and structures on the lines in the state of Washington prior to the fiscal year ending June 30th, 1905; that since 1905, the Northern Pacific Railway Company has expended for maintenance of way and structures within the state of Washington, the following, for the fiscal year ending June 30th, 1905, an average of \$1,542.00 per mile of road, for the fiscal year ending June 30th, 1906, an average of \$1,429.00 per mile of road; for the fiscal year ending June 30th, 1907, an average of \$2,064.00 per mile of road; for the year ending June 30th, 1908, an average of \$1,439.00 per mile of road; that the expenditure incurred for maintenance of way and structures during the year 1907, was greatly augmented and increased by unprecedented floods and washouts, which in many instances washed out the lines of the said road causing practically their reconstruction in many places. That the amount mentioned as being expended for maintenance of way and structures by the Great Northern Railway Company for the year 1908 included the Spokane Falls & Northern system; that the amounts hereinbefore given for 1905, 1906 and 1907 did not include the sums expended for maintenance of way and structures on such Spokane Falls & Northern. That for the fiscal year ending June 30th, 1905, such Spokane Falls & Northern expended for maintenance of way and structures \$99,278.00 being an average per mile of road of \$717.82; that for the year ending June 30th, 1906, it expended for such purposes \$107,402.00 being an average

cost per mile of road of \$771.12, and for the fiscal year ending June 30th, 1907, it expended for such purpose the sum of \$138,706.67, being an average cost per mile of \$995.87.

The Commission finds that the cost of maintenance of way and structures for the year 1907 of \$1,436,187.00 and for the year 1908 of \$2,362,548.00 does not represent a normal expenditure for such purpose, but that an average expenditure of \$1,300.00 per mile for maintenance of way and structures would be a reasonable and sufficient allowance for such item under normal conditions.

And that the miles operated in the year 1907 in the state of Washington was 547.39 miles, and for the year 1908 the miles operated within the state was 806.23 miles.

That in addition thereto the accounting records show the following items to have been expended and charged to cost of operation for the year 1907, to-wit:

Loss and damage .....	\$139,090.03
Injuries to persons .....	214,398.49
Clearing wrecks .....	41,018.18

That during said year the said road carried over its lines in the state of Washington 71,261,611 passengers one mile and 456,310,313 tons of freight one mile;

That during said year the Oregon Railroad & Navigation Company expended for the same items on its entire line amounting to 1245.82 miles of road, the following:

Loss and damage .....	\$59,244.47
Injuries to persons .....	60,752.69
Clearing wrecks .....	30,983.72

That during said time the Oregon Railroad & Navigation Company carried over its said lines 126,440,471 passengers one mile and 758,864,940 tons of freight one mile;

That during said time the Northern Pacific Railway Company expended for the same items over its lines in Washington, consisting of 1629.42 miles, the following sums:

Loss and damage .....	\$137,063.57
Injuries to persons .....	60,752.69
Clearing wrecks .....	93,419.73

That during said time the said Northern Pacific Railway Company carried over its lines in Washington 224,214,106 passengers one mile and 1,392,894,577 tons of freight one mile.

That during the year 1906 the said Great Northern Railway Company expended for the same items on its entire line, amounting to 5183.11 miles of road, the following sums:

Loss and damage .....	\$330,409.73
Injuries to persons .....	332,911.42
Clearing wrecks .....	88,470.24

That during said fiscal year the Great Northern Railway Company carried over its lines 376,783,210 passengers one mile and 4,484,575,584 tons of freight one mile.

That for the said year 1906 the Northern Pacific Railway Company expended for the same items on its entire line, consisting of 5793.59 miles of road, the following sums:

Loss and damage .....	\$310,646.50
Injuries to persons .....	360,112.28
Clearing wrecks .....	101,591.69

That during said year it carried over its said entire line 659,050,227 passengers one mile and 5,245,260,080 tons of freight one mile;

That during the said year 1906 the O. R. & N. Company expended for the same items on its entire line, consisting of 1130.58 miles of road, the following sums:

Loss and damage .....	\$89,734.66
Injuries to persons .....	32,058.61
Clearing wrecks .....	12,557.08

That during said time the O. R. & N. Company carried over its said entire line 143,124,308 passengers one mile and 723,677,155 tons of freight one mile.

That during the year 1908 the said Great Northern Railway Company expended for the same items in the state of Washington the following sums:

Loss and damage .....	\$98,120.27
Injuries to persons .....	161,459.09
Clearing wrecks .....	27,517.54

That during said time the said road carried over its lines in the state 95,648,857 passengers one mile and 542,462,369 tons of freight one mile;

That during said year 1908 the Northern Pacific Railway Company expended for the same items on its lines in the state, consisting of 1737.90 miles of road, the following sums:

Loss and damage .....	\$282,834.12
Injuries to persons .....	174,704.42
Clearing wrecks .....	101,591.69

That during said year the said company carried over said lines 250,107,118 passengers one mile and 1,360,673,834 tons of freight one mile.

The Commission finds that the items hereinbefore in this finding set out as being expended by the Great Northern Railway Company for maintenance of way and structures, loss and damage, injuries to persons for the years 1907 and 1908 and for clearing wrecks in the year 1907 were not normal expenditures but were necessitated by reason of the defective condition of its track and roadbed during previous years, and had said lines been theretofore kept in a proper state of efficiency and had the terminal or assembly charges on interstate

freight been apportioned over half of the haul as hereinbefore referred to, the expenses of operation for the year 1907 hereinbefore set out as shown by the accounting records amounting to \$4,992,615.00 would have been reduced to \$3,945,695.00 and said sum of \$6,233,912.00 the expenses incurred for the year 1908, as shown by said accounting records would have been reduced to \$5,340,537.00.

**No. 79.**

That of said sum of \$3,945,695.00 properly chargeable to operating expenses for the year 1907, \$2,727,264.00 thereof is properly chargeable to handling freight traffic over the said lines and of such last mentioned sum \$1,068,269.00 thereof was expended in handling and for the benefit of state freight and \$1,658,995.00 was expended in handling and for the benefit of interstate freight.

That of said sum of \$3,945,695.00, \$1,218,431.00 is properly chargeable to the passenger department, and of such sum there was expended in moving mail and express matter and baggage, and in operating dining cars, sleeping cars, lunch stands, telephone and telegraph lines, the sum of \$202,485.00, leaving \$1,015,946.00 properly chargeable to passenger service or against passenger revenue. That of said sum of \$202,485.00 expended as aforesaid in mail, express, baggage, dining and sleeping cars, lunch stands etc., \$51,022.00 was incurred in handling express business, of which \$35,476.00 was incurred in handling state express and \$15,546.00 was incurred in handling interstate express; the sum of \$92,243.00 was expended in handling mail matter, of which \$39,319.00 was incurred in handling state mail and \$52,330.00 was incurred in handling interstate mail; the sum of \$13,976.00 was expended in handling excess baggage and in storing baggage, of which \$3,645.00 was incurred in handling state baggage and \$10,331.00 was incurred in handling interstate baggage. The sum of \$45,244.00 was expended in operating sleeping, dining and combined observation and grill cars, of which \$13,166.00 was incurred on state business and \$32,078.00 was incurred on interstate business.

That of said sum of \$1,015,946.00 expended in handling and for the benefit of the passenger business, \$684,849.00 was expended in handling and for the benefit of state business and \$331,097.00 was expended for the handling of and for the benefit of the interstate passenger business moving over the said lines.

**No. 80.**

That of said sum of \$5,340,537.00 hereinbefore mentioned as properly chargeable to operating expenses for the year 1908, \$3,511,403.00 was properly chargeable to handling freight traffic over the lines of said road in the state and \$1,829,134.00 thereof was properly chargeable to handling the passenger traffic; that of said sum of \$3,511,403.00 properly chargeable to the freight department, \$1,375,417.00 was expended in handling and for the benefit of the state freight and \$2,135,986.00 was expended in the handling of and for the benefit of inter-

state freight. That of said sum of \$1,829,134.00 above mentioned as expenses properly chargeable to the passenger department, \$249,906.00 was expended in moving mail matter, express and baggage, and in operating dining cars, sleeping cars, lunch stands, telephone and telegraph lines, leaving \$1,579,228.00 properly chargeable to the passenger service or against the passenger revenue; that of said sum of \$249,906.00 expended as aforesaid in mail, express, baggage, dining and sleeping cars, lunch stands, etc., \$70,651.00 was incurred in handling express business, of which \$51,873.00 was incurred in handling state express and \$18,779.00 was incurred in handling interstate express; the sum of \$102,782.00 was expended in handling mail matter of which \$44,474.00 was incurred in handling state mail and \$58,308.00 was incurred in handling interstate mail; the sum of \$18,658.00 was expended in handling excess baggage and storing baggage, of which \$14,399.00 was incurred in handling state baggage and \$4,258.00 was incurred in handling interstate baggage; the sum of \$10,385.00 was incurred in conducting lunch stands, station and train privileges, special trains and miscellaneous, all of which \$7,194.00 was expended on state business and \$3,191.00 was incurred in handling interstate business; the sum of \$47,430.00 was expended in operating sleeping, dining and combined observation and grill cars, of which \$13,802.00 was incurred on state business and \$33,628.00 was incurred on interstate business. That of said sum of \$1,579,228.00 expended in handling and for the benefit of the passenger business, \$1,064,558.00 was expended in handling and for the benefit of the state business, and \$514,670.00 was expended for the handling of and for the benefit of the interstate passenger business moving over the said lines.

#### No. 81.

That in these findings the term "revenue derived from state business" means the gross receipts derived from freight and passengers carried on a continuous contract wholly within the state, and "revenue derived from interstate business" means receipts derived from freight and passengers carried under continuous contract where a portion of the carriage is outside of the state, and such terms are used in reference to the earnings from intrastate and interstate traffic with reference to the definition hereinbefore given of intrastate and interstate traffic respectively.

In ascertaining the revenue earned over or by the lines in this state on interstate business the same method has been used by the Commission as is used by the Great Northern Railway accounting department, to-wit, ascertaining the total gross earnings of the company on the item of freight moved or passengers carried and crediting to the state of Washington as earnings over the lines in this state from such interstate business in proportion that the freight or passenger mileage within the state bears to the total miles the freight or passenger was carried over the company's lines.

The revenue derived from mail matter was apportioned state and interstate as follows: the earnings from mail cars moving partly

within and partly without the state, and from mail routes partly within and partly without the state was ascertained and was apportioned to the lines within the state on a mileage prorate. To this was added the earnings of the said company from mail cars moving entirely within the state and from mail routes local and entirely within the state and the net gross receipts allocated state and interstate in the proportion that the average weight of the state mail carried over the said lines and routes bears to the average weight of the interstate mail carried over the same lines and routes.

Revenue derived from express was apportioned state and interstate as follows: receipts from all interstate express business was credited to the state as interstate earnings on a mileage prorate, and all earnings on strictly state express was credited to the state as state earnings.

Revenue derived from baggage storage and excess baggage collections were apportioned state and interstate as follows, all revenue derived from baggage storage was credited to state earnings, and all excess baggage collections within the state were allocated state and interstate in proportion to the passenger earnings within the state, state and interstate.

Revenue derived from miscellaneous earnings were credited to state earnings with the exception of rents from commercial properties and interest on bank balances which were not taken into consideration

#### **ERRATA.**

The sum of \$6,071,143.00 appearing in finding 82 should read \$6,267,768.00.

#### **No. 83.**

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of the said railroad in the state on interstate and state business for the year 1907, excluding rents from commercial properties and interest on bank balances, was the sum of \$6,489,097.00.

#### **No. 84.**

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in the state, state and interstate business for the year 1908, excluding the rents from commercial properties and interest on bank balances, was the sum of \$8,621,689.00.

#### **No. 85.**

That of said sum of \$6,267,768.00 mentioned in finding No. 82 as the earnings of said road for the year 1906, \$3,319,591.00 was revenue derived from state business and \$2,948,177.00 was revenue derived from interstate business.



That of said sum of \$6,489,097.00 mentioned in finding No. 83 as the earnings of said road in the state of Washington for the year 1907, \$3,760,276.00 was revenue derived from state business and \$2,728,821.00 was revenue derived from interstate business.

And of said sum of \$3,621,689.00 the earnings for the year 1908, as set out in finding No. 84, \$5,064,309.00 was revenue derived from state business and \$3,557,380.00 was revenue derived from interstate business.

No. 86.

That during the fiscal year ending June 30th, 1908, and on or about the 1st day of November, 1907, the said company promulgated and put in force a tariff increasing the rates on interstate lumber and shingles very materially and in many instances exceeding 20 per cent. increase; that proceedings were instituted by the lumber interests of the state before the Interstate Commerce Commission and before the courts challenging the reasonableness of such increase and for the purpose of enjoining the collection of said rates.

That by reason of the existing conditions and uncertainty as to the rate which should be finally fixed the interstate shipments on lumber were very greatly reduced during the balance of said fiscal year, and the gross earnings from interstate business over the lines in this state were greatly reduced over what they would have been under normal conditions in the lumber traffic.

That during the years 1905, 1906 and 1907 and a part of 1908 and up to the 1st day of November, 1908, fir lumber was carried from Puget Sound to St. Paul, Minneapolis, Duluth and intermediate points east of Billings, Montana, for 40 cents per hundred pounds and cedar shingles at 50 cents per hundred pounds and from Puget Sound to Omaha and other Missouri river points fir lumber was carried for 50 cents per hundred pounds, and cedar shingles for 60 cents per hundred pounds, the price on lumber and shingles to all points east of and beyond Duluth and St. Paul and to all points southeast of and beyond Omaha being fixed with reference to such 40-cent and 50-cent rate on lumber and such 50-cent and 60-cent rate on shingles respectively.

That prior to the 1st day of November, 1907, such railroad filed with the Interstate Commerce Commission and posted a tariff, to become effective on the first of November, 1907, by which the 40-cent rate above mentioned on fir lumber was increased to 50 cents, the 50-cent rate on fir lumber above mentioned was increased to 55 cents, the 50-cent rate on shingles was increased to 60 cents and the 60-cent rate on shingles was increased to 65 cents. As before stated, said complaint was filed before the Interstate Commerce Commission challenging the reasonableness of such increase of rates, resulting, after a full hearing, in the Commission fixing the following maximum

rates from Pacific Coast points to St. Paul, Minneapolis, Duluth and intermediate points east of Billings, on fir lumber 45 cents per 100 pounds and on cedar shingles from the territory last mentioned to 55 cents per 100 pounds, leaving the old rate to Omaha and other Missouri river points of 50 cents on fir lumber and 60 cents on cedar shingles as a maximum, and further provided that said rate should remain in force without being increased for the term of two years. That the maximum rates so fixed have been charged since such hearing.

That an action has been commenced by said railroad in the District Court of the United States for the District of Minnesota to review the maximum rates fixed by the Interstate Commerce Commission on the ground that the said maximum rates are so low as to amount to a confiscation of the property of such railroad, which action is still pending.

That of the interstate lumber and shingle tonnage carried by said railroad over its lines hereinbefore set out, 81 per cent. moves to St. Paul, Minneapolis and Duluth and points east and beyond and to intermediate points east of Billings.

#### No. 87.

That the cost of moving freight per ton mile decreases as the length of haul increases, due largely to the assembly and terminal charges incurred in the moving of freight. That after the haul passes a division and exceeds 400 miles the cost of movement per ton mile is not materially decreased by a continuing length of haul; that the average rate charged per ton mile on state lumber is 1.5162 cents and the average cost of moving a ton mile of state lumber is .5330 cents, while the rate now charged under the increased rate on interstate lumber is .7385 cents per ton mile and the average cost of moving a ton mile of interstate lumber is .3676 cents; that considering the rates state and interstate respectively from the standpoint of cost of service and value of service to the shipper, they are disproportionate, the state rate being too high or the interstate rate being too low.

That of the freight moved over the lines in this state in less than carload lots, the average rate charged on state business per ton miles is 6.0508 cents and the average cost of moving a ton mile of such freight is 3.4693 cents, the average rate charged on such freight interstate per ton mile is 1.9141 cents, and the average length of haul of such state freight is 84.6 miles and of such interstate freight 1242.5 miles, 251.2 miles of which is over the lines within the state. That 100 pounds of such state freight pays an average rate of 25.62 cents for 84.6 miles, while 100 pounds of such interstate freight moved over the same lines within the state of 251.2 miles for 24.5 cents.

That said railroad carried over its lines from Seattle to St. Paul large quantities of goods consigned from China and Japan

through the port of Seattle, consisting of teas, silk, curios, liquors, bamboe articles, matting, Chinese goods and other articles, and ships over its lines from St. Paul, consigned to China and Japan, large quantities of freight including cotton, cotton ducks, agricultural implements, bridge iron, car material, machinery and tobacco, which freight is carried in either direction for less than .49 cents per ton miles. That such freight east bound is received from the ships' tackle on the docks and handled through longshoremen employed by the railroad at its cost, and the same is moved on either limited freight trains or passenger trains, and such goods west bound from St. Paul are delivered by the railroad to the ships' tackle at the dock or is by it unloaded and stored in warehouses; that the cost of moving such freight either east bound or west bound is greatly in excess of the cost of moving the average ton. of freight. That tea is moved from Seattle to St. Paul on passenger trains as aforesaid at the rate of 57.50 cents per 100 pounds, while the carload rate on tea or articles taking a similar classification from Tacoma to Spokane being loaded by the consignor is 100 cents per 100 pounds.

That on or about the 23rd day of October, 1908, said railroad issued its transcontinental west bound tariff, superseding the tariff then in force, and which tariff becomes effective January 1st, 1909, by which the rates on freight from eastern points is generally advanced and raised over what said rates have been since long prior to 1905.

The commission finds that if the rates now in force and now charged on interstate lumber shipments had been in force and charged during the years 1905, 1906, 1907 and 1908 and had normal conditions existed in 1907 and 1908, the earnings credited to the lines in the state of Washington on interstate business during said years would have been materially increased, to wit: In 1906, \$152,578; in 1907, \$171,934; in 1908, \$650,337.

That since 1905 there has been an advance in rates on state freight as shown by the tariffs issued by the Great Northern Railway. Such advance, however, has been on items of small tonnage and the revenue derived from such business has not been materially increased. That there has been no advance in state grain, lumber, coal, logs, live stock, hay, fresh fruit and vegetables, brick, stone, sand and the commodities constituting the principal tonnage of the state

That on or about the 23rd day of October, 1908, said railroad issued its transcontinental west bound tariff, superseding the tariff then in force, which tariff becomes effective January 1st, 1909, by which the rate on freight from eastern points is generally advanced and raised over what said rates have been since long prior to 1905, the advance in such west bound freight being approximately as follows:

On reapers, mowers, headers, mower knife grinders, harvesters, hay teders, hay rakes and extra parts for same; hay presses (including horse powers for same) and extra parts thereof; horse rakes,

horse hay forks, hay carriers, hay loaders, hay slings, sweep rakes and hay stackers and extra parts for same; land rollers and soil pulverizers, manure spreaders and extra parts for same; threshers (including clover hullers and straw stackers), tank wagons, engine power on its own wheels and horse powers for the same and extra parts thereof; harrows, disc harrows with seeder attachments, plows cultivators, combination hand cultivators, seed drills, corn planters and potato diggers and extra parts for same; seed drills, including beet drills and extra parts for same; stump pullers and extra parts for same, iron wheels for cultivator implements, shovels, spades and scoops in packages, in carloads; cotton bags in bales or trusses, in carload lots; beans and peas, dried, split or whole, in sacks or barrels in carload lots; billiard tables, including toy billiard tables; K. D., slates or marbles, cues, cue racks, ball racks, composition pool or billiard balls, composition shake balls, shake bottles, pin pool boards, billiard marker buttons, billiard bridges, billiard cue tips, billiard chalk and billiard table covers; traction engines, cylinder water wagons or tank wagons in mixed carloads with traction engines; ginger ale, root beer and carbonated beverages (not alcoholic), mineral water in glasses or stone, boxed or in barrels or in bulk or in kegs or casks in L. C. L.; cider mills, bark mills, bone mills, corn, feed and paint mills, in less carloads; fish netting (cotton), in less carloads; ochre in packages in less carloads; hand pumps, not including bicycle pumps; force pumps made of iron or wood (not rotary), with or without brass valves and cylinders, drive well points and strainers and parts thereof, hydraulic rams, hand spray pumps, hand spraying machines and knapsack sprayers in carload lots; car wheels and axles, in carload lots; rice polish (rice dust), rice bran and rice hulls in packages, in straight or mixed carload lots; rubber boots and shoes, including tennis shoes, boxed, in less carloads; drag scrapers, sheep dipping liquid, boot trees and clamps, eyelets, shoe buckles, shoe hooks, metal shoe horns (not gold or silver plated) and shoe button hooks, shoe buttons, shoe pegs, school slates, in less carloads; stitching horses, K. D., boxed or crated; stone, rough, sawed or cut to dimensions and not polished; instructive toys for use in kindergartens, made in wood and paper; toy games, toy books, toys, tin, lead or iron; toy musical instruments, toy torpedoes and toy caps, in boxes or barrels; toy trumpets, boxed or crated; toy furniture, not including children's furniture; trucks (store and warehouse, including baggage wagons), baggage barrows, K. D., dollies and dry kiln and lumber trucks, farm wagons and common dump carts, dump wagons and hand or push carts, lumber buggies and extra parts thereof, wind mills and parts of same, including tanks and towers, wood or metal; wind mill pumps and pipe necessary to connect pump heads and cylinders; approximately 8 per cent.

On all articles taking class A rates specified in western classification under the head of agricultural implements (not including hand implements, farm wagons, trucks or gasoline engines) and also under

the head of agricultural implements and parts thereof, in straight or mixed carloads; feed and ensilage cutters, including horse powers, carriers, blowers or elevators for same; smut machines, fanning mills or grain cleaners and extra parts for same; barley forks (wooden), potato forks, hay or manure forks, spading forks, hoes, wooden or iron rakes, scythes and snaths, potato sorters and potato diggers, bitters in glass, packed in wood, in carload lots; blowers, forges and drills, when crated, approximately 7½ per cent.

On drain cleaners, in packages; mower knife grinders, boxed or crated; shovels, spades and scoops, in packages, in less carloads; cotton bags, in bales or trusses, in less carloads; baking powder and baking powder compound, boxed, in less carloads; rubber belting, in less carloads; leather belting, in less carloads; carpets, N. O. S., art carpet, rugs (invoice value not exceeding \$100.00 each; carpet lining, in rolls or compressed in bales, in less carloads; cream of tartar, in boxes, in less carloads; creosote, in tank cars; cotton piece goods, in the piece (28 commodities specified), in less carloads; hemlock bark extracts, in less carloads; oak bark, in barrels or sacks, in less carloads; glassware, except cut, N. O. S. (in boxes or barrels), in less carloads; grindstones and frames, mounted or unmounted; hollow ware of cast iron, plain or enameled, including pots, kettles, skillets, spiders, scotch bowls, etc., in less carloads; anvils or anvils and vises combined, in carload lots; steel balls (rough or forged), bar and slab iron up to and including 6 inches in width, wrought, hoop or band iron, in carload lots; boiler iron, plate and sheet iron, N. O. S., not bent or punched; bolts, nuts, washers, nut locks, rivets, lag bolts and lag screws, in carload lots; iron or steel box straps, in carload lots; iron and steel butts and hinges, in carload lots; castings, N. O. S., in no way hand or machine finished, except being drilled with bolt holes; iron conductor pipes, eave troughs, elbow and trough hangers for same, in less carloads; forgings, rough, not further finished than being drilled with bolt holes, not over 32 feet in length and weighing less than 6,000 pounds; iron and steel hasps, hooks, hoop keeps, staples and lap links, in boxes, in carload lots; wooden screws, N. O. S., in boxes or kegs, in carload lots; saleratus and bi-carbonate of soda and soda carbonating compound, in less carloads; shafting, finished, with hangers, collars, couplings, cranks and crank shafts, in less carloads; iron and steel horse, mule and ox shoes, including toe chalks, in boxes or kegs, in carload lots; sucker rods, in packages, in carload lots; telephone, telegraph and electric line poles, cross arms and cross arm braces for same, in carload lots; telephone and telegraph pole steps, in packages, in carload lots; baling ties, in packages, in carload lots; lamp fixtures (not electric), in boxes, barrels or casks, including glass, plain or decorated, not exceeding a net cost of \$3.00 per dozen, in less carloads; lanterns (not including magic, paper or toy lanterns), in boxes, barrels, casks or crates, in less carloads; liquors as follows, alcohol, including wood alcohol, high wines and pure spirits, in bulk in barrels or drums,

carriers' liability limited to \$2.00 per gallon measurement, unless actual value is less, in carload lots; matches, in paper or wooden boxes, packed in metallic or wooden cases, in less carloads; matting, mats and rugs, rubber (including rubber bindings), paper, cocoa, straw, coir, corn, jute, grass, hemp and rope, in packages; mining car wheels, with or without axles, nails, spikes, wire fence, horse nails, in boxes, in carload lots; cement coated nails, in boxes or kegs, in carload lots; packing, N. O. S., including rubber packing; white or red lead or litharge, dry or in oil in cans (packed in boxes or barrels), or in barrels, casks, kegs, kits, boxes or iron drums; powder keg material, boxed, in carload lots; preservalline and savalline, meat preservalline, in packages; hand pumps (not including bicycle pumps), force pumps, made of iron or wood (not rotary), with or without brass valves or cylinders, and parts thereof when boxed; hydraulic pumps, in less carloads; rice flour, rice meal, rice flakes or flaked rice and broken rice, in carload lots; rubber springs, in packages; saddle trees, sad irons (not including electric, gas, gasoline or charcoal), and handles for same, in carload lots; scales and scale beams, N. O. S., not including computing scales, gold weighing scales or assayers' scales or apothecaries scales, in less carloads; wire, iron, plain galvanized, tinned or coppered, in carload lots; drag scrapers, in less carloads; silicated cloth (for blackboards), school slates, boxed, in carload lots; sledges, wedges and mauls, iron or steel, in boxes, in carload lots; tinware, nested solid, window curtain poles, iron, plain or washed with brass; barbed wire, wire for fencing, including staples and steel stayguards and stretchers; wire fencing, in rolls (including not to exceed 12 stretchers, also including, if desired, staples, steel stayguards and wire fence gates), and coarse wire netting for fencing, in packages, in less carloads; wooden mats and flooring, approximately 6 per cent.

On hay rake teeth, in less carloads; wire cloth and netting, boxed, in carload lots; ginger ale, root beer, carbonated beverages (not alcoholic), also mineral water, in glass or stone boxes, in barrels or bulk in kegs, barrels or casks, in carload lots; champagne, in boxes or baskets; mining cars and dump cars or parts thereof, also turntables, portable trucks for same, loaded on standard gauge cars; toilet water (not including perfumery), wind mills, K. D., in packages; wind mill and tank towers, in packages; wall coating and wall finish, N. O. S., in carloads; glue, in boxes, barrels or kegs, approximately 12 per cent.

On plow beams, iron or steel, plow points, shares, lays and wings or mold boards, also plow and harrow discs, cultivators, shovels, road scrapers, blades, iron or steel, in less carloads; potato sorters and potato diggers, in mixed carloads; bath tubs, water closet bowls and cisterns, urinals, wash bowls, including stands, K. D., stationary wash tubs, cast iron or seamless steel, plain, painted and galvanized, granite lined or porcelain lined; bath tubs, cast iron, plain, painted, galvanized, porcelain lined, in straight carloads; bitters,

in glass, packed in wood; blowers, forges and drills, crated; wine, beer, whiskey or brandy, bottled (not including druggists' prescription bottles and bottles of similar shape); common soda water bottles (not siphon), in bulk or in boxes, casks or crates; lumber trucks and hand or logging cars, glass globes and chimneys for lanterns, in boxes, barrels or crates, also glass lamp chimneys, packed in double-faced corrugated paste board boxes (subject to restrictions), road scrapers, road machine grading plows, land graders and street rollers, in carload lots; crackers, matzos or matzos meal, cakes, fruit biscuit, pretzels, toast and shredded wheat biscuit, in boxes or barrels or in baskets or tubs with tight wooden covers or in tin cans or in paper cartons; machinery for creamery and cheese factories and parts thereof, medicines and chemicals, medicinal oils, witch hazel, medicinal and flavoring extracts and dye stuffs, N. O. S., in packages; medical and surgical plasters, surgical dressings and absorbent cotton, boxed; cotton duck and denims, in less carload lots; cotton drills, cotton sheetings and cotton bagging, bleached or unbleached, in less carloads; enameled cloth and table and shelf oilcloth and covers, boxed, in less carloads; wigans, window shades, cloth or Hollands, uncut and undecorated, in less carloads; dynamos and electric motors and parts, extracts of beef and tomato bouillon, boxed, in carload lots; extract of coffee, in boxes, in carload lots; root beer, ginger ale and extract of lemonade, in carload lots; baby food, prepared, including malted milk and milking, in boxes, in carload lots; sanitarium foods, N. O. S., in carload lots; corrugated furnaces or flues for marine boilers, egg beaters, files, corn poppers, traps, including 12 commodities; structural iron grouping, steam boilers under 30 feet in length, and fire brick for use in same; shafting, finished, including hangers, collars, couplings, cranks and crank shafts, in carload lots; plain shafting, without connections; tanks, including enameled or glass lined tanks, N. O. S.; locomotives and tenders, on flat cars (subject to rule 12); machinery and machines taking class A rate specified under machinery and machines in Western classification, including truss hoops, shingle machines, iron link belting, roller mills, pulley clutches, iron shafting, steam and oil separators, steam traps, cast iron exhaust heads, iron valves, water jackets for cylinders, iron gear wheels, windlasses, winches, ship steerers, beer pasteurizers, drag saws, with steam or horse power attachments, and stamp mill mortars, straight or mixed; meters, N. O. S. (except electric), boxed or crated; cider mills, bark mills, bone mills, grain, feed and paint mills, in carloads; mosquito netting and netting, in boxes or bales; oil well supplies, plaster (land), in packages, in carload lots; force pumps, steam, electric or other power, N. O. S., combined brass and iron and parts thereof; spraying pumps (hand power), quick silver flasks, in carload lots; railway supplies for steam or electric railways and air brake equipment, chairs, track braces, etc., refuse burner material with castings for grate bars, stands, draft doors and frames and spelt bottom (opening for refuse); rubber clothing, including

mackintoshes or garments or similar character and rubber gloves and soft rubber hats, boxed, in less carloads; circular saws, mill saws, crosscut saws and drag saws, on boards or boxed; saw blades, in packages, and band saws, crated, in less carloads; scouring, washing and polishing compounds, N. O. S. (not including liquid compounds except in tin cans), also washing crystals, in carload lots; alfalfa, beet, clover, hemp, flax, garden, sunflower and sorghum seed, in less carloads; sewing machines and component parts, in boxes or crates, in carload lots; stills, oil refining and cooling tanks for same, in carload lots; tricycles, velocipedes, children's, K. D., crated or boxed, in carload lots; children's toy wagons, toy wheel barrows, in mixed carloads; washing machines, including dish washing machines, boxed or crated, in carload lots, approximately 7 per cent.

On plow points, shares, lays, wings, mold boards, also plow and harrow discs, cultivator shovels, road scraper blades, iron or steel, in carload lots; ales, beer and porter, in wood or in glass, packed, in carload lots; baking powder and baking powder compound, in carload lots; bath tubs, water closets, bowls, cisterns, urinals, wash bowls, including stands, K. D.; stationary wash tubs, cast iron, plain or painted, galvanized, granite lined or porcelain lined, in less carloads; beer, beer tonic, malt extract, liquid bread, in glass or stone, packed, or in wood (subject to estimated weights provided in western classification), in carload lots; boots and shoes, N. O. S., in less carloads; knobs for furniture, locks and pictures, and sash locks and fasteners, in less carloads; toys, boxed, including marbles, toy alphabets, building blocks, banks and toys, N. O. S., in less carloads; tricycles and velocipedes, children's, K. D., in less carloads; bottles and flasks, glass, N. O. S., in less carloads; musclage bottles, empty, with caps and brushes, in less carloads; wire cloth and netting, boxed, in less carloads; carpet lining, in rolls or compressed in bales, in carload lots; brick dryer cars, including dry kiln trucks, turn tables and transfers for same, in carload lots; creosote oil or tar oil, in bottles or in tin cans or in barrels, in carload lots; cotton piece goods, in the piece (28 commodities), in carload lots; enameled cloth and table and shelf oilcloth and covers, boxed, in carload lots; window shade cloth or Hollands, in the piece, uncut and undecorated, in carload lots; bedsteads, iron or brass; folding beds, iron; cribs, iron; institution beds, iron, K. D., in carload lots; matches, in paper or wooden boxes, packed in metallic or wooden cases, in carload lots; resin, in barrels, in carload lots; pitch and tar, in carload lots; soda ash, soda crystals, caustic soda, hyposulphite and nitrate and sulphate of soda, chloride of lime, in kegs, in carload lots, approximately 10 per cent.

On arsenate of lead, in packages, in less carloads; extract of beef and tomato bouillon, boxed, extract of coffee, in less carloads; extract of root beer, extract of ginger ale and extract of lemonade, in less carloads; baby food, prepared, including malted milk and milkine, in less carloads; sanitarium food, in less carloads; hollow



ware, agate, granite and enameled (including nickel, aluminum or britannia trimmed), boxed, in less carloads; insect poisons, in less carloads; sheet iron, No. 12 and lighter (black or galvanized), but exclusive of planished or Russian, not bent or punched, corrugated, N. O. S., including ridge rolls, roofing and siding, straight or mixed carloads, in carload lots; mince meat and pie preparations, in palls or tubs, when packed in boxes, crates or barrels, in kits or kegs, in less carloads; ochre, in packages, in less carloads; paints, in carload lots; cyanide of potassium, in boxes, in less carloads; spray pumps, spraying machines, hand, made of brass, in less carloads; broken rice and brewers' rice, in packages, in less carloads; toilet water (not including perfumery), in less carloads; refuse burner material, namely, castings for grate bars, stands, draft doors and frames, spelt bottom, plate iron, rolled and punched, angle bars, rivets, bolts, sprocket wheels, chains and not to exceed 4,000 pounds of wire cloth to each burner, in carload lots; rice polish (rice rust), rice bran and rice hulls, in packages, in less carloads; road scrapers, road machine, grading plows, land graders and street rollers, in less carloads; tarred rope and tarred cordage, in carload lots; stove pipes, iron (cut to shape), nested solid, boxed or crated, in carload lots; syrup (corn, glucose, malt, maple and rock candy) and molasses glucose, in barrels, glucose jelly, in barrels, kegs, kits or palls, in carload lots; iron tacks, N. O. S., in boxes, kegs or barrels, in carload lots; twine and cordage, namely, cotton, flax, hemp, jute, fleece, sail, spring, sisal, Manila and cotton seine twine and cordage and fish netting (cotton), in bales, boxes or barrels, and rope of all kinds, in carload lots; binding twine for harvesters, varnish, in barrels or in cans, boxed, in straight carloads or in mixed carloads with paints, approximately 5 per cent.

On leather belting, in carload lots; rubber or cotton belting, in carload lots; street cars, with or without motor attachments, loaded on flat cars, in carload lots; extract of hemlock bark, in carload lots; oak bark extract, in carload lots; cream of tartar, boxed, in carload lots; wooden file cabinets (including stands therefore, with or without letter or document files), in less carloads; glassware (except cut), in carload lots; grates, in packages, in carload lots; iron service cocks, in boxes or barrels, and iron service boxes and stopcock boxes, in less carloads; barn and parlor floor hangers, including track for same, in less carloads; iron vises, in boxes or barrels, in less carloads; iron hooks, ice tools, iron corners for trunks, pulleys, registers, wrenches and similar articles, including 80 commodities; chains, sash, crosscut saw handles, logging chains, coffee mills, fruit presses, tree pruners, saddlery hardware, plain or nickel-plated; door and window springs and similar articles, covering 43 commodities; hollow ware of cast iron, plain or enameled, including pots, kettles, skilllets, spiders, Scotch bowls, in carload lots; anvils or anvils and vise combined, in less carloads; awning rods and holders, in boxes, barrels or crates, in less carloads; carriage and wagon axel boxes, in less carloads;

clevises, in boxes or barrels, in less carloads; conductor pipes, eave troughs and eave trough hangers for same, in carload lots; glass lamps and fixtures, plain or decorated (not electric), not costing to exceed \$3.00 per dozen, packed in boxes or barrels, in carload lots; gas or electric lamp shades or globes, common pressed or blown glass, in carload lots; lanterns (not including magic, paper or toy lanterns), in boxes, barrels or casks, in carload lots; cyanide of potassium, in packages, in carload lots; wood pulp, in packages, in less carloads; rice, broken and brewers rice, in packages, in carload lots; rubber clothing (not including mackintoshes and garments of similar character) and rubber gloves and soft rubber hats, boxed, in carload lots; rubber packing, in straight carloads or mixed with rubber packing and rubber belting, in carload lots; rubber corks, saleratus and bicarbonate soda and soda carbonating compound, in carload lots; salt, in carload lots; scales and scale beams, N. O. S. (not including computing scales, gold weighing scales nor assayers' or apothecaries' scales), all fragile parts boxed or crated, in carload lots; the following ship chandlery, ship building hardware, such as clews, thimbles, eye bolts, bolts, hooks, ring bolts, rowlocks, shackles and mast hoops, in less carloads; oars, both in carloads and less carloads; pulleys and blocks, in less carloads; windlasses (not steam), in less carloads; the following shoe findings, boot and shoe heels (leather or rubber) or wood covered with leather, soles (leather or rubber) and shoe counters, in less carloads; shoe rivets, in boxes or kegs, in less carloads; wire staples for button fastenings, in boxes or kegs, in less carloads; bob sleds, spiral bed springs, in boxes or casks, in less carloads; wire springs, N. O. S., in boxes or casks, in less carloads; the following stamped ware: Agate or enameled, also granite iron ware, N. O. S., in boxes, barrels or crates, and stamped ware, N. O. S., in boxes, barrels or crates, in carload lots; whetstones or scythe stones and sand stones, in less carloads; tin foil, in packages, in less carloads; tinware, in carload lots; sheet iron tubes one inch in diameter; type, boxed, in less carloads, approximately 9 per cent.

On brass valves, in carload lots; building cement or paving cement, in packages, in carload lots; cement work for building purposes; the following furniture: From machine or bench, unfinished, in the white, not mahogany, rosewood, ebony, black walnut or cherry, also wood seats for chairs, perforated or unperforated, unfinished, in the white; cast iron pipe and cast iron connections for the same in less carloads; leather, in boxes or rolls, as follows: Bellies, collars, heads, pieces, harness, rough, scrap (in sacks), tufts (in sacks), seal shirting, sole, splits, tanned goat skins (without hair), tanned sheep skins (without wool), walrus; brandy and New England rum, in bulk in barrels or drums, carriers liability limited to \$1.50 per measurement gallon, unless actual value is less, in less carloads; billets, blooms, ingots, muckbar and scraps, in carloads; gin in bulk, in barrels or drums, carriers liability limited to \$1.50 per gallon, unless

actual value is less, in less carloads; looking glasses, framed or unframed, and looking glasses, boxed, in carload lots; ferrules, combination brass and iron, in less carloads; pickles, N. O. S., including kraut, catsup, table sauce, N. O. S., mustard, prepared, olives, pepper sauce, vinegar, in bottles (packed) or in wood, horse radish and capers, in less carloads; soapstones, slabs and griddles, boxed, in less carloads, approximately 20 per cent.

On china and majolica ware, not including ornaments, in boxes, barrels or casks, in less carloads; cotton seed oil, foots for soap stock, in barrels or sacks; crockery, not including ornaments or plumbers' crockery, and queensware, in boxes, barrels, tierces, crates or hogsheads, in less carloads; earthenware (including earthenware jardiniers), packed in boxes, barrels, crates, casks or hogsheads, in less carloads; faucets, pewter, in boxes or barrels, in less carloads; sheet iron, punched for rivets, in crates or bundles, strapped or in boxes, in less carloads; wood pulp, in packages, in carload lots; files, including rasps, in boxes or barrels, in less carloads; elevator guides and fish plates and bolts, in carloads; stoneware, in boxes, barrels, crates, casks or hogsheads, approximately 15 per cent.; also copper goods (not silver-plated), bolts, bottoms, nails, rivets, tacks, blanks and castings, boxed, in less carloads.

On cotton duck and denims, in carload lots; cotton drills, cotton sheetings and cotton bagging, bleached or unbleached, in carload lots; cotton yarn, straight carloads, in carload lots; axle grease, not including machine lubricant, including mineral or petroleum axle grease, in packages, in less carloads; hides and sreen pelts, green, in carload lots; fruit juice, N. O. S., and blackberry brandy, in wood, carriers' liability limited to \$1.50 per measurement gallon, unless actual value is less, in less carloads; liquors, in bulk, N. O. S., in barrels or drums, carriers' liability limited to \$1.50 per measurement gallon, unless actual value is less, in less carloads; fish netting (cotton), in packages, in carload lots; caster, cocoanut, corn, palm, blubber, rape seed, dead, kalon, lard, linseed, neatsfoot, red, resin or "Y" and tallow and transformer oils, in less carloads; cotton seed oil, subject to refining in transit privileges as published in tariffs of individual lines on file with Interstate Commerce Commission, in less carloads; lucol oil, in less carloads; rice oil, in less carloads; rubber boots and shoes, including tennis shoes (canvas tops), boxed, in carload lots; yellow metal and yellow metal nails and spikes, in carload lots; toys, as described, in packages, straight or mixed carloads; wheel barrows, K. D., wheel barrow wheels and barrow carts, K. D., in carloads; window curtain poles, wooden, in carload lots; approximately 11 per cent.

On spool thread, cotton and linen, in cases or in cabinets, in less carloads; mattresses and frames, metallic wire cots, wooden folding cribs, with woven wire bottoms (K. D. or folded flat), wire and spring beds and bottoms and canvas cots, not upholstered, in packages, in less carloads, approximately 25 per cent.

On feathers and feather pillows, machine compressed in bales,

in carload lots; canvas telescope trunks and valises, in carload lots; trunks, empty or packed with traveling bags, telescopes and valises, or traveling bags, telescopes and valises, packed in cases, in carload lots; skids, in less carloads, approximately 18 per cent.

On ferrules, combination brass and iron, in boxes or barrels, in carload lots; rubber hose, with or without covering, in cases, crates or bales, in less carload lots; iron and steel angles, channel, beams, columns, girders, zeos and tees, not over 32 feet long, in less carloads; iron and steel axles and axle boxes and nuts for wogans and carriages, range boilers, including stands for same, in carload lots; bolts, nuts, washers, nut locks, rivets, lag bolts and lag screws, in less carloads; iron and steel box straps, in packages, in less carloads; iron and steel hasps, hooks, hoop keeps, staples and lap links, in boxes, kegs or barrels, in less carloads; wood screws, N. O. S., in boxes or kegs, in less carloads; plain shafting, not over 32 feet long; iron and steel horse, mule and ox shoes, including toe calks, in boxes or kegs, in carloads; sucker rods in packages, in less carloads; telegraph, telephone and electric line poles, cross arms and cross arm braces for same, in less carloads; telegraph or telephone pole steps, in packages, in less carloads; baling ties, in packages, in less carloads; alcohol, including wood alcohol, high wines and pure spirits, in bulk, in barrels or drums, carrier's liability limited to \$2.00 per measurement gallon, unless actual value is less, in less carloads; nails and spikes (not including railroad spikes or ship and boat spikes), cut or wire, N. O. S., in less carloads; horse nails, in boxes, in less carloads; cement coated nails, in boxes or kegs, in less carloads; paints, in less carloads; court plaster in packages, in L. C. L.; powder keg material, metal boxed, in less carloads; quicksilver flasks, in less carloads; car wheels and axles, in less carloads; rice, rice flour, rice meal, rice flakes or flaked rice and broken rice, in less carloads; rubber tubing, in cases, crates or bales, in less carloads; bar and slab iron, up to 6 inches wide, and rod, hoop and band iron, in less carloads; sad irons (not including electric, gas, gasoline or charcoal sad irons) and handles for same when packed with sad irons, in boxes, in less carloads; scouring, washing and polishing compounds, N. O. S. (not including liquid compounds, except when in tin cans, boxed), also washing crystals, in less carloads; ship and boat spikes, in less carloads; shoes, heads, rings, tires or dies (for quartz mills), cams and tappets, iron or steel, in less carloads; cast iron stoves, in less carloads; iron fireplaces and grates for same, N. O. S., made of wrought or cast iron, also furnace grates, in carloads; portable fireplaces and grates for same, N. O. S., and portable steam radiating mantels, in carloads; stove pipe, including iron stove pipe cut in shape, nested, stove pipe elbows, tees and thimbles, in carload lots; tile, marble and slate, boxed or crated, in less carloads; tile, earthen or encaustic, for flooring and facing, plain or figured, glazed or unglazed, also enameled brick, in less carloads; tile and opalite glass, boxed or crated, in less carloads; varnish, in barrels or cans, boxed,

in straight carloads or in mixed carloads with paint, in less carloads; wall coating and wall finish, N. O. S., in boxes, barrels or casks, in less carloads; barbed wire fence, including staples and steel stayguards, in less carloads; iron wire, plain, galvanized, tinned or tinned (including, if desired, steel stayguards), in less carloads; wire rods, in less carloads; approximately 4 per cent.

On poultry food, namely, ground meat and bone, alfalfa meal, blood meal, clover meal, gluten meal, cut alfalfa, cut clover, grain screenings, millet seed, crushed shells and charcoal, in packages, in less carloads; yellow metal and yellow metal nails and spikes, in less carloads; washing machines, including dish washers, boxed or crated, in less carloads, approximately 14 per cent.

On knobs for furniture, locks and pictures, in packages, and sash fasteners and locks, in packages, in carload lots; butts and hinges (except spring), in boxes, kegs, barrels or casks, in less carloads; rails, including mining rails and saw mill track, and ties, iron or steel, including fastenings; shoddy rubber or reclaimed rubber, in packages, in less carloads; rubber junk, in less carloads; rubber tired (not pneumatic) for buggy and carriage wheels, boxed, in carload lots; sledges, wedges and mauls, iron or steel, in boxes, barrels or crates, in less carloads; solder, in less carloads; spirits of turpentine and turpentine substitutes, in barrels or in cases, in less carloads, approximately 13 per cent.

On carriage and wagon axles, in less carloads; buff leather, calf finished, including patent leather; finished kip, finished veal, finished wax leather, lace, latigo, chamois, tanned deer, tanned goat (with hair on), tanned shearling skins and tanned sheep skins (with wool on), in less carloads; salt, in packages, in less carloads; approximately 17 per cent.

On liquors, N. O. S. (including fruit juice, N. O. S., but not including champagne), in glass, packed, in less carloads; meat currie in packages, in less carloads; organs, melodians, pianos, mechanical pianos mechanical piano players and automatic slot pianos, boxed; pipe organs, also organ and piano benches, chairs and stools, in less carloads; tarred rope and tarred cordage, in less carloads; automobile springs, carriage and wagon springs and wagon bolsters and seat springs, N. O. S., also iron or steel axles, in less carloads; cotton, flax, hemp, jute, fleece, sail, spring, sisal, Manila and cotton seine twine and cordage and fish netting (cotton), in bales, boxes or barrels, and all kinds of rope, except wire, in less carloads; binding twine for harvesters, in less carloads, approximately 16 per cent.

On condensed milk, in hermetically sealed cans, boxed, or in bottles packed in boxes, in less carloads; rhubarb roots, dried, in packages, in carload lots; rubber tires (not pneumatic), for buggy and carriage wheels, boxed, in less carloads; bakers' ovens (sectional) steel and iron, K. D., and brick for same, in carload lots; gas and gasoline water heaters, instantaneous, with copper or nickel-plated jackets, boxed, in less carload lots; air-tight heating stoves (sheet

iron), with or without cast iron tops and base, in carload lots; iron fireplaces and grates for same, N. O. S., made of wrought or cast iron, also furnace grates, gas grates, boxed or crated; portable fireplaces and portable steam radiating mantels, iron lining, grate dampers and andirons (iron), in carload lots; stoves or grates, gas, oil and gasoline and ovens, boxed or crated, in carload lots; air or steam furnace castings, iron floor or wall ventilators, in carload lots; tacks, iron, N. O. S., in boxes, kegs or barrels, in less carloads; approximately 3 per cent.

On rhubarb roots, dried, in packages, in less carloads; bakers' ovens (sectional), steel and iron, K. D., and brick for same, in less carloads; approximately 2 per cent.

On crude rubber, in packages, in less carloads; approximately 40 per cent.

On pulverized silica or sillex, in less carloads; approximately 50 per cent.

On soapstone, N. O. S., in less carloads; approximately 29 per cent.

On building terra cotta, boxed or crated; approximately 19 per cent.

On tin can tops, packed solid in boxes, in carload lots; approximately 30 per cent.

On tin can tops, packed solid in boxes, in less carloads; approximately 52 per cent.

On vanilla beans and tonka beans, boxed, carrier's liability limited to \$1.00 per pound, unless actual value is less, approximately 21 per cent.

That had said rates as increased been in force and effect during the years 1905, 1906, 1907 and 1908 the earnings from interstate west bound freight would have been materially increased, to wit: For the year 1906, \$50,000.00; for the year 1907, \$65,000.00; for the year 1908, \$77,000.00.

That the interstate tonnage and ton miles moved over the lines of said road in this state on substantially all freight other than lumber and shingles very materially increased in the year 1907 over similar tonnage and ton miles moving in 1906 and equally increased in 1908 over similar tonnage and ton miles moving in 1907.

#### No. 88.

That following the system of accounts adopted by the railroad companies, the cost of operation hereinbefore set out has not included taxes paid on railroad property within the state; that the Great Northern Railway Company has paid taxes on its property in this state as follows:

For the year 1905, the sum of .....	\$140,747.81
For the year 1906, the sum of .....	172,057.26
For the year 1907, the sum of .....	344,548.33
For the year 1908, the sum of .....	457,577.51

## No. 89.

That the earnings and expenses of operation hereinbefore set out as earnings and expenses of said road for the years 1905, 1906 and 1907 do not include the earnings from or expenses incurred in operating the Spokane Falls & Northern Railroad system, which includes the Spokane Falls & Northern Railway and the Columbia & Red Mountain Railway and the Washington & Great Northern Railroad, as during said years last mentioned roads were operated as separate and distinct corporations; that the earnings and operating expenses hereinbefore set out for the year 1908 includes the lines last mentioned.

## No. 90.

That under the rates now charged the probable and estimated gross earnings of the said railroad from state business over its lines in the state of Washington for the year ending June 30th, 1909, is the sum of \$5,647,668, and the estimated expense of earning the same, exclusive of interest on the value of the investment or of interest on the funded indebtedness and dividends on stock, is the sum of \$3,086,767.

## No. 91.

That based upon the relative cost of service and the relative value of the service rendered the shipper, the relative charge on state shipments is greatly in excess of the rates charged on interstate shipments.

## No. 92.

That on the said line from Colbert to the international boundary, consisting of 125.84 miles, there are 410 curves, with an aggregate length of curved line amounting to 45.98 miles; that there is 79.80 miles of straight line; that there is 23.59 miles of level track; that there are 58 ascending grades, making an aggregate ascent of 1,682 feet, said ascending grades having an aggregate length of 46.72 miles; that there are 64 descending grades, making an aggregate descent of 2,150 feet and an aggregate length of descending grades of 55.53 miles.

That on said line from Northport to Peterson, consisting of 7.47 miles, there is 3.45 miles of straight track and 4.02 miles of curved line, aggregating 50 curves; that there is .58 miles of level line; that there is 5 ascending grades, having an aggregate length of 6.89 miles and making an aggregate ascent of 867 feet.

That on said line from Marcus to Laurier, consisting of 27.66 miles, there are 88 curves, having an aggregate length of 12.29 miles, and there are 15.37 miles of straight line; there are 11.79 miles of level line; there are 6 ascending grades, with an aggregate length of 15.32 miles and making an aggregate ascent of 402 feet; there are 2 descending grades, making an aggregate descent of 12 feet and having an aggregate length of .55 miles.

That on said line from Republic to Danville, consisting of 31.70 miles, there are 79 curves, with an aggregate length of curved line of 13.64 miles and 18.06 miles of straight line; there are 15.25 miles of

The second portion of said line from Curlew to Midway, consisting of 1.25 miles, there are 11 curves, having an aggregate length of 1.25 miles of straight line; there are 4.27 miles of ascending grades, making an aggregate length of 8.94 miles; there are 14 feet of descent, making an aggregate descent of 14 feet.

... .. of 9.80 miles,  
... .. length of 3.56 miles, and 5.94  
... .. miles of level line; there are  
... .. of 792 feet and having  
... .. there are 4 descending grades,  
... .. and having an aggregate length

... the international boundary line near Mol-  
... line near Chopaka, consisting of 48.46  
... having an aggregate length of 20.79 miles,  
... there are 8.50 miles of level lines;  
... having an aggregate ascent of 409 feet  
... there are 5 descending  
... feet and having an aggre-

... state line to Leavenworth, consist-  
... curves having an aggregate length of  
... straight line; there are 54.42 miles of  
... grades making an aggregate ascent  
... length of 76.85 miles. there are  
... an aggregate descent of 3,555 feet and  
... miles.

... to Spokane, consisting of 4.30  
... an aggregate length of .67 miles and  
... are .57 miles of level line; there is  
... an aggregate ascent of 155 feet and having

...avenworth to Seattle, consisting of 141.91  
...having an aggregate length of 54.09  
...tought line: there are 31.96 miles of level  
...grades making a total ascent of 2442 feet  
...of 39.25 miles; there are 47 descend-  
...ate descent of 3837 feet and having an

From Junction to International boundary  
 100 miles there are 96 curves having  
 4 miles of straight line there are



35.61 miles of level line; there are 38 ascending grades making a total ascent of 581 feet and having an aggregate length of 31.14 miles; there are 38 descending grades making a total descent of 429 feet and having an aggregate length of 22.35 miles.

That on said line from Anacortes to Rockport, consisting of 57.72 miles, there are 97 curves having an aggregate length of 12.17 miles; and 45.55 miles of straight line; there are 24.94 miles of level line; there are 32 ascending grades making a total ascent of 398 feet and having an aggregate length of 23.35 miles; there are 25 descending grades making a total descent of 233 feet and having an aggregate length of 9.43 miles.

## No. 93.

That the relative volume of freight movement, relative rate and relative cost, state and interstate, is shown by the following table:

COMMODITY.	Ton Miles Handled.		Relative Rate.		Relative Cost.	
	State.	Inter-state.	State.	Inter-state.	State.	Inter-state.
Less car loads.....	1,081,474	1,546,384	.471	.420	3.9428	1.
Grain.....	12,711,744	1,664,387	.147	.117	.8820	1.
Lumber.....	2,123,768	34,851,693	.121	.109	1.4499	1.
Logs, etc.....	1,159,684	841,097	.056	.075	1.6635	1.
Coal.....	442,144	928,624	.112	.055	1.8235	1.
1st class.....	30,568	680,769	.373	.272	1.2065	1.
2nd class.....	3,886	243,776	.343	.313	1.2065	1.
3rd class.....	99,474	1,668,514	.204	.398	1.2065	1.
4th class.....	226,408	404,488	.390	.250	1.2065	1.
5th class.....	576,281	5,732,289	.218	.140	1.2065	1.
6th class.....	96,724	3,359,668	.213	.140	1.4287	1.
A class.....	110,068	1,309,627	.288	.261	1.2065	1.
A class.....	38,625	546,685	.288	.261	1.8238	1.
B class.....	45,592	227,525	.265	.268	1.2065	1.
C class.....	5,699	111,957	.140	.164	1.2065	1.
D class.....	498,803	2,807,675	.122	.110	1.2065	1.
D class.....	97,506	653,950	.122	.110	1.3836	1.
E class.....	336,732	213,426	.078	.068	1.2065	1.
E class.....	424,609	97,163	.078	.068	1.8574	1.

That there were 41,733,908 passengers carried one mile within the state and 21,145,473 passengers carried one mile within the state on interstate haul; the rate per passenger mile allowing for all revenues derived from operation of passenger trains was 2.8863 cents per passenger mile state, and 2.8107 cents per passenger mile interstate. The cost per passenger mile, allowing for all operating expenses connected with the operation of passenger trains, was .8781 per cent. per passenger mile state to 1. per cent per passenger mile, interstate.

## No. 94.

That the fair cash market value of all the lines operated by the Great Northern Railway Company in the state of Washington on the 30th day of June, 1908, was and is the sum of \$59,577,212.00.

## No. 95.

From a consideration of all of the evidence and a consideration of the foregoing findings the commission concludes as a further fact that

the value of the property of the Great Northern Railway company in the state of Washington, used by it for the accommodation of the state business, was and is 45% of the total value of the property used for each of the years 1906, 1907 and 1908 as heretofore found, and the value of its property within the state used by it for the accommodation and use of interstate business was and is 55% of the total value of its property for each of the years 1906, 1907 and 1908; and that the present value of the property of said road used by it for state business is the sum of \$26,809,745.40, and the present value of its property within the state used for interstate business is the sum of \$32,767,466.60.

In reaching the conclusion as to the division of value of the property in accordance with the value of its use for state and interstate purposes, we have no precedent to guide us. This is a question that has never been fully presented to the courts. A partial presentation does not afford a proper precedent. The question as considered by this commission is almost wholly new.

We have considered several methods of division, among them the division of value according to the net returns on state and interstate business. In this method both the actual net returns have been considered and the net returns as they should be when based on reasonable rates and under proper charge for operating expenses. The net returns can only be found in the consideration of an entire schedule of rates. The net returns on the schedule of state rates is easily ascertained. But the interstate rates applicable to this state constitute only a portion of the entire schedule of interstate rates, and these latter rates are beyond the jurisdiction of a state commission, and the net earnings on the entire schedule of interstate rates is not obtainable.

An objection to using actual net returns as a basis of division is the fact that such returns are based on the rates charged. Should a subsequent determination of the reasonableness of rates result in a material change in the schedule of rates, the net returns would be directly affected, entirely changing the division, thus rendering unstable the very foundation for determining such reasonableness of rates. Nor can the commission at this time say what a reasonable schedule of rates should be. That is a conclusion to be drawn after finding the value of the property used for the public convenience, in the conduct of state business, and is a matter for subsequent proceedings.

There is another objection to basing a division of value on net returns. If the interstate rates should yield no profit then there would be no division, but the entire value of the property would be assigned to state use. That portion of the schedule of interstate rates applicable to this state might yield unremunerative returns, while the entire schedule of interstate rates would yield reasonable returns. Then the burden of unremunerative interstate rates within the state would be thrown on state traffic. Such method is variable, the result depending on the rate of returns allowed. It is not uniform, as it cannot be applied to all roads alike.

A further objection to the division of value on the theory of net returns is the fact that such theory involves the proposition that rates should be based, not on the cost of service, but on "What the traffic will bear and move." If the latter proposition is correct, then the division of value should be based on the value of the use to the shipper. With this view we cannot agree. Such view involves an examination into the profits of a shipper to determine if his business will stand an increase in rates and move. We believe this theory to be untenable from a rate regulation standpoint.

There are a number of methods by which the division of value as found by us can be determined, among them the following: Assume that each class of traffic, state and interstate, should yield a reasonable profit, and that such profit should be based on the cost of the service, the same relationship of profit to cost of service would exist in each case. Assuming a fair profit on interstate business and the same percentage of profit on the state business, then the relation of the profits in each case would determine the relative value of use.

The unit of measurement of freight movement is one ton hauled one mile, and the unit of passenger movement is one passenger hauled one mile. By ascertaining the number of tons hauled one mile and the number of passengers carried one mile, state and interstate, the relative volume of service is secured. Assuming that all tonnage, state and interstate, moved at the same rates per ton, regardless of classification and commodity, and at the same cost of service, then the division of value, as far as freight business is concerned, would be found in the relative volume of business done. The same assumption holds true as to the passenger movement. But as the rate charged varies in a different degree in the different classes and commodities, and the cost of performing the service varies, state and interstate, consideration has been given to the relative rate charged and the relative cost of service.

In carrying out the mathematical calculations, based on finding No. 93, necessary to reach the result, it is shown that the consideration of the relative rates at which freight actually moved in the different classes and commodities varied the result but little, so that a change in rates would but slightly affect the division. Such consideration of rates is necessary, otherwise a comparison could not be made of a state haul of a ton of coal and an interstate haul of a ton of silk.

There are two divergent theories on which to base a division of value. Such theories involve the underlying principles on which the reasonableness of a schedule of rates may be determined. One theory is based on "What the traffic will bear and move." The other, broadly stated, is based on the cost of the service. It is true that in the making of particular rates many matters beside the cost of service must be considered. But a division of value is based, not on a particular rate, but on an entire schedule of rates. The reasonableness of returns on such schedule must be based on the cost of service as a prime fac-

tor in such determination. This view is sustained by eminent authorities and appeals to common sense and fairness.

WITNESS THE RAILROAD COMMISSION OF WASHINGTON this 31st day of December, A. D. 1908.

JOHN C. LAWRENCE,

JESSE S. JONES,

Members of Commission.

Attest: O. O. CALDERHEAD, Secretary.

I concur in the foregoing findings except in finding No. 95. While this is denominated a finding of fact, it is more properly a conclusion drawn from the preceding findings.

I dissent from the conclusion reached for the reason that the facts found do not justify such conclusion or division of value. To my mind the value of the property used by the Great Northern Railway Company for the use and accommodation of the business of the state was and is,

For the year 1906, the sum of.....	\$31,155,000
For the year 1907, the sum of.....	35,391,200
For the year 1908, the sum of.....	37,885,147

And that that portion of the road within this state used for the accommodation of interstate business was and is,

For the year 1906, the sum of.....	\$18,845,000
For the year 1907, the sum of.....	16,608,800
For the year 1908, the sum of.....	21,692,063

That the value of the property used by the Northern Pacific Railway Company for the use and accommodation of the business of the state was and is (does not include Washington & Columbia River railroad for years 1906 and 1907),

For the year 1906, the sum of.....	\$39,520,000
For the year 1907, the sum of.....	39,900,000
For the year 1908, the sum of.....	41,917,210

(not including the proportion of betterment and additions added in 1908)

And that the portion used for the accommodation of the interstate business transacted thereon was,

For the year 1906, the sum of.....	\$64,480,000
For the year 1907, the sum of.....	65,100,000
For the year 1908, the sum of.....	68,391,240

(not including the proportion of betterments and additions added in 1908)

The object of the legislation providing for the Commission making a division of the property used for state and interstate business is apparent. Namely, that in regulating state rates we may know what proportion of the total value of the railroads line within the state it is entitled to earn a return upon the remainder from interstate freights and fares, over which the state has no control.

While Smith vs. Ames, 169 U. S. 467, lays down the rule positively that in ascertaining the return a road may be making on its property

within the state from state business, its earnings from interstate business cannot be taken into consideration, it does not say or intimate that in determining the division of value a consideration shall not be given to the interstate business or to the revenue that should be derived therefrom. In no other way can a division be made. The language used in *Smith vs. Ames* has received a construction on this point by the Supreme Court of Florida in *State ex rel Railroad Commission vs. Seaboard Air Line Railroad Company*, 48 Florida 129, where the court says, "In determining whether the rates of freight and passenger tariffs established by the Railroad Commission for railroad transportation are reasonable, no part of the earnings and losses interstate on foreign commerce can be charged to or against the income account of the transportation company; but its interstate and foreign business may and should be considered in determining the proportion of the value of the property of the company assignable to local business and for other purposes." What is meant by the language, "Relative value of the use to which each railroad is actually put in the carrying of intrastate and interstate business respectively?" The word "value" is used with reference to its well defined meaning. It does not depend upon the revenue received by the company, but as stated by the United States Supreme Court in *Mississippi and Rum River Boom Company vs. Patterson*, 99 U. S. 403, "The inquiry must be 'What is the property worth in the market viewed not merely with reference to the uses to which it is at the time applied, but with reference to the uses to which it is plainly adapted, that is to say, what is it worth from its availability for valuable purposes?'" This must be determined from the evidence in the case.

A railroad is valuable according to its adaptability and ability by charging reasonable rates to furnish net returns. It may have a very large volume of business, but if it costs as much for operating expenses as it receives, and if these conditions cannot be improved upon, it has no value. A railroad performing a dual service, state business and interstate business, may perform a volume of business interstate greatly in excess of its state business, but if the conditions are such that it cannot earn on its interstate business any substantial return over and above the cost of performing the service, and it can and does earn from its strictly state business a return on substantially the value of its entire property and if the state rates per se are not unreasonable, it must follow that the division of value of the use is substantially all used for state business. To illustrate, the value of a road is \$100,000.00, the ton miles carried state one million, and interstate three million, the gross revenue derived from state business \$12,000.00 and the expenses of conducting state business \$6,500.00, the revenue derived from interstate business \$7,000.00 and the expenses \$6,000.00 and the total net returns \$6,500.00. If 6½% is a reasonable return and a division is made based on the relation of the net returns it would give a value used for state business of approximately \$84,920.00 and interstate business approximately \$15,080.00, and a continuance of such reasonable rates,

state and interstate, would still give a return of \$6,500.00. If, however, you make a division on any other basis an injustice follows either to the people or the railroads. Assuming that a basis of division is taken which fixed the value \$60,000.00 state and \$40,000.00 interstate, what is the result? It must be presumed that the state commission will perform its duty. Having found that the value of the road used for state business is \$60,000.00 and that it is earning a return on \$84,920.00 the schedule of rates should be at once reduced so that its returns from freights and fares will only render a reasonable return on \$60,000.00 its value, leaving the remaining \$40,000.00 to earn a return from interstate business. As it can only earn a return from its interstate business on \$15,080.00 it is apparent that the division has resulted in allowing the road to earn a return on but \$75,080.00, although the value of the property is \$100,000.00. We are not without precedent on the proper manner of dividing the value. The circuit court of the United States for the district of South Dakota made a division of the value of the Chicago, Milwaukee and St. Paul road in South Dakota, between state and interstate uses so as to ascertain the effect of the schedule of rates promulgated by the railroad commission. The Supreme Court of the United States in reversing the lower court held (*C. M. & St. P. R'y Co. vs. Tompkins*, 176 U. S. 167). "We think, therefore, there was error in the failure to find the cost of doing the local business and that only by a comparison between the gross receipts and the cost of doing the business and ascertaining thus the net earnings can the true effect of the reduction of rates be determined." The trial court had made its division of values by a comparison of the gross receipts from state and interstate business respectively.

I desire to briefly analyze the findings of fact in which we have all concurred and the conclusions or division of value reached by myself and my associates respectively. I will first deal with the Great Northern railroad. The net earnings of the road as shown by the facts found, state and interstate, are as follows: For the year 1906, state, \$1,914,958.00, interstate, \$1,176,071.00. The findings of the Commission, however, show that the road had the capability of earnings and should have earned from its interstate business an additional \$225,000.00, making the net earnings which the road was capable of earning for the year 1906 from interstate business \$1,401,371.00. This would make a total net earnings from the lines in the state \$3,316,029.00. Deducting from the present market value of the said road the value of the Spokane Falls & Northern system which was not owned or operated by the Great Northern in 1906, and its earnings not included in the above figures, deducting the betterments and improvements, new equipment purchased since said date and the value of the property used by it in 1906 was approximately \$50,000,000.00. The company, therefore, earned in 1906, after deducting the taxes paid, less than 6½% on the value of the property. Assuming but not holding that 6½% is a reasonable return for it to make, what would be the effect of my division of value? Under the rates now charged or such as the findings show would be

reasonable, the company would still continue to earn a 6½% return on the valuation of \$50,000,000.00. Under the division made by the majority of the Commission the company should have been limited to a return from state business of 6½% on \$22,500,000.00 or \$1,462,500.00 or a reduction of \$452,458.00 over what it did earn in 1906. The facts as found show that it had an ability to earn only \$1,401,071.00 on its interstate business. Thus it would have an ability to earn only 6½% return on \$44,054,938.50, where can it earn a return on the remaining \$5,945,061.50? It is deprived of the opportunity although there is no finding or intimation that the state rates are per se unreasonable.

#### For the Year 1907.

The state net earnings less taxes \$1,914,958.00, interstate earnings less taxes \$628,644.00, to this last sum add \$270,000.00 the amount as shown by the findings it had a capability of earnings under proper rates from its interstate business and we have \$898,644.00 its capacity for earnings from interstate business. This makes a total net earning capacity of \$2,813,602.00 or somewhat less than 5½% on the valuation of \$52,000,000.00, the value of the property used that year as shown by the findings. Assuming but not holding that 5½% is a reasonable return what would have been the effect of my associates' division of value? The company should have been limited to a return from state business of 5½% on \$23,400,000.00 which at 5½%, the same rate, would amount to \$1,387,000.00 or a reduction of \$627,958.00 from its net returns. It was capable of earning from interstate business but \$898,644.00, making a total return of \$2,185,644.00 or a return of 5½% on \$41,557,163.63. What has become of its right or power to earn a return on the remaining \$10,442,836.37? It has been lost by the division made and that much of its property confiscated. Under the division made by me a continuance of these state rates charged and the earnings from the capabilities of the property on interstate business would still net it a return of 5½% on \$52,000,000.00.

#### For the Year 1908.

The gross revenue received from state business, finding No. 86, \$5,058,309.00, reasonable operating expenses in conducting state's business including the state's proportion of taxes, \$2,792,087.00 net returns state \$2,266,222.00; gross revenue received from interstate business, finding No. 86, \$3,553,299.00, reasonable operating expenses for conducting interstate business including its proper proportion of taxes \$3,006,028.00 net returns interstate \$547,271.00. By making a proper allowance for the demoralized condition of the lumber and shingle traffic, allowing for the increased rate on lumber as fixed by the Interstate Commerce Commission, allowing for the increased westbound traffic, and reasonable rates on east and west bound Oriental traffic, the interstate earnings should have been increased \$750,337.00, making a net return that should have been received from interstate business of the sum of \$1,297,608.00. The road was, therefore, able to and should

have earned as net returns from all sources \$3,563,830.00, or a return of a little less than 6% on \$59,577,212.00 the value of its property, used as found in finding No. 94. Under my associates' division the road should have been limited to a reasonable return from state business upon \$26,809,745.40, leaving it to earn a return on the remaining \$32,767,466.60 from its interstate business. But we are confronted with the fact that it can only earn from such sources \$1,297,608.00, or, if the return be figured at its present earnings and as before figured 6% on \$21,628,800.00, what has become of its power to earn a return on the remaining \$11,140,666.60? It has been lost by the division made, and if 6% is a reasonable return, that proportion of the company's property has been confiscated. Under the division made by me the company will be permitted under schedule of rates now charged to earn a 6% return if the volume of business continues and the rates continue from its state and interstate business on the value of its property found.

I will not take the time to analyze the effect of the division made of the Northern Pacific property, but simply say that a similar analysis will show that under the division made by me the Northern Pacific will be able to earn by charging reasonable rates, an ample return from state rates on the value assigned by me as used for the accommodation of the business of the state and will still be earning from its interstate business a sum greatly in excess of a reasonable return on the value assigned for that purpose and that under the division made by my associates the Northern Pacific will be permitted to charge the people of this state a sum in excess of reasonable returns and will still be making an unreasonably large return from its interstate business.

The theory adopted by my associates upon which they arrived at the division is in brief as follows: "That the ton miles of each commodity and class carried state and interstate, multiplied by the percentage which the rate actually charged bears to "one," or in the table and formula adopted, to the first class distance tariff rate, and the resulting product multiplied by the relative cost of moving the commodity or class, state and interstate, gives the relative value of the use of the road for hauling the ton mile, state and interstate respectively." This must be based upon the assumption that there is, first, a fixed relation between the cost of service and a reasonable and proper rate and upon the further assumption that each ton mile of the same or a similar commodity should return a profit based upon the relative cost of the service performed in handling the ton mile. Both assumptions are denied by experienced traffic men, by all political economists and recognized authorities on rate making. That the cost of service is and should be considered and is an important element in judging of the reasonableness of the rate is conceded by all, but that it is so controlling as to become the basis of an inflexible mathematical formula is a new idea and one never before advanced so far as my researches have shown. Prof. Hadley in his valuable work, "Railroad Transportation" on this subject says, at page 112: "A great deal of freight of small value is carried not merely at less than the average rates, but at less



than the average cost; that is at rates which applied to the whole business of the road, would not pay expenses. Many people assume that such business is an actual loss to the road and that other business is taxed to make up for it. This is a fallacy. Any rate which will more than cover the expenses of moving the cars and handling the goods is a paying rate, provided the business can be had on no other terms. If it is a question of filling the cars that must otherwise be returned empty, any rate which more than covers the mere difference in expense between running them full and running them empty, is a paying rate. If a manager rejects such business because it is not paying its share of the fixed charges (as distinct from train expenses) he would make a great mistake. He would reduce his business and leave those charges the same. The fixed charges must mainly be borne by the lines of business that can best afford to pay them, that is by the valuable goods. The earliest freight tariffs involved little or no classification. Each step towards our present system has been accompanied by increased efficiency. It has made the cheap traffic possible, and has helped the high class traffic more than it has hurt it. To do away with this would be a long step backward. If our railroads made it a rule to carry nothing at less than the average cost of doing the whole business, they would give up nearly all the coal trade and a great deal of the grain trade. It would give us dear food and dear fuel, and would injure both the railroads and the districts which they serve."

Judge Noyes, in his work, "American Railroad Rates," uses the following language at page 42: "If it were feasible to prepare a tariff based upon cost of service alone, the result would be unjust. Expense of transportation must largely be based upon the bulk of the article, and the cost principle would often impose the heaviest burden upon the cheapest goods. It costs a railroad more to transport a carload of coal a hundred miles than a carload of drygoods half the distance. But if the rate were fixed solely on a basis of cost, the price of the coal would be made prohibitive. Moreover, high rates upon bulky articles of small value, such as lumber, coal, grain and iron ore necessarily curtail production, and, consequently reduce the amount of freight offered for transportation. If such rates were made by law, railroads would be absolutely prevented from building up communities along their lines through handling raw materials cheaply. They would be debarred from assisting—in the very way American railroads have been most potent in assisting—in the development of the country." This subject received the earnest consideration of the Interstate Commerce Commission and in its report for 1887 it used the following language: "It was very early in the history of railroads perceived that if these agencies of commerce were to accomplish the greatest practicable good, the charges for the transportation of different articles of freight could not be apportioned among such articles by reference to the cost of transporting them severally, for this, if the apportionment of cost were possible, would restrict within very narrow limits the commerce in the articles whose bulk or weight was large as compared

with their value." On the system of apportioning their charges strictly to the cost, some kinds of commerce which have been very useful to the country, and have tended greatly to bring its different sections into more intimate business and social relations, could never have grown to any considerable magnitude, and in some cases could not have existed at all, for the simple reason that the value at the place of delivery would not equal the purchase price with the transportation added. The traffic would thus be precluded, because the charge for carriage would be greater than it could bear. On the other hand, the rate for the carriage of articles which, within small bulk or weight concentrate great value, would on that system of making them be absurdly low—low when compared to the value of the article, and perhaps not less so when the comparison was with the value of the service in transporting them. It was, therefore, seen not to be unjust to apportion the whole cost of service among all the articles transported, upon a basis that should consider the relative value of the service more than the relative cost of carriage. Such method of apportionment would be best for the country, because it would enlarge commerce and extend communication; it would be best for the railroads because it would build up a large business, and it would not be unjust to property owners, who would thus be made to pay in some proportion to benefit received. Such a system of rate making would in principle approximate taxation; the value of the article carried being the most important element in determining what should be paid upon it."

Mr. Elliott on railroads, second edition, section 1684G, says: "Many elements are to be considered in fixing rates. The cost of the service to the carrier is an important factor, but it is not controlling in or of itself. If conditions were always the same and the cost of service the same throughout, a ton mile rate would be ideal; and the length of transportation is usually very important; although conditions and circumstances are usually so different that it is not a controlling feature." Mr. Elliott then quotes with approval the following considerations laid down by the Interstate Commerce Commission in the case of Hilton Lumber Company vs. Wilmington, etc., Railway Company, 9 I. C. C. 17, wherein it enumerated the following as among the most important matters to be considered in making rates: (1) The value of the service to the shipper, including the value of the goods and the profits he could make out of them by shipment. This is considered the ideal method when not interfered with by competition or other features. It includes the theory so strenuously contended for by petitioners, the commission and its attorneys, of making the finished product carry a higher rate than the raw material. This method is considered practical and is based on an idea similar to taxation. (2) The cost of service to the carrier would be an ideal theory, but is not practical, such cost can be reached approximately, but not accurately enough to make this feature controlling. It is worthy of consideration, however. (3) Weight, bulk and convenience of transportation. (4) The amount of product or the commodity in the hands of a

few persons to ship or compete for, recognizing the principle of selling cheaper at wholesale than at retail. (5) General public good, including good to the shipper, the railroad company, and the different localities. (6) Competition, which the authorities as well as experts in their testimony in this case, recognize as a very important factor. None of the above factors alone are considered necessarily controlling as a matter of law. It is a question of fact to be decided by the proper tribunal in each case as to what is controlling."

The Railroad Commission of Minnesota established a rate on coal which rate the roads insisted if applied relatively on all freight would deprive it of any return and thus confiscate its property. The Supreme Court of the United States in *Minnesota & St. Louis R. D. Co. vs. Minn.* 186 U. S. 257, says: "It does not follow that the companies are entitled to earn the same percentage of profits upon all classes of freight carried. It often happens that to meet competition from other roads at particular points, the companies themselves fix disproportionately low rates upon certain classes of freight consigned to those points. The right to permit this to be done is expressly reserved to the Interstate Commerce Commission by section four of that act notwithstanding the general provisions of the long and short haul clause and has repeatedly been sanctioned by decisions of this court. While we have never decided that the commission may compel such reduction we don't think it beyond the power of the state commission to reduce the freight upon a particular article providing the companies are able to earn a reasonable profit upon their entire business.

Beale & Wyman on Railroad Rate Regulation say, at section 475: "The exact cost of carriage therefore, or such approximation to it as may be possible, can never be used as the sole or the determining factor in a particular rate."

But, assuming that the cost of service theory is proper in determining the reasonableness of a rate, then the result reached by my associates is clearly wrong. The result to be obtained was the value of the use state and interstate. They obtain this by giving consideration only to the charges actually made and to the cost of service actually incurred, without regard to the reasonableness of the charge made or expense incurred. The findings of the Commission in which we all concurred demonstrated that Oriental east and west bound freight is and has been carried at a ridiculously low rate, whether you adopt the cost theory or consider all elements that may be considered. The Interstate Commerce Commission after a full hearing decided that a 12½% increase was justified in hauling interstate lumber. The roads have themselves advanced their westbound freight from 3 to 35% and there is a finding that state rates are relatively much in excess of the interstate rates whether you consider them on the basis of the cost of the service or the value of the service to the shipper. If my associates had used their formula in the first instance to revise the rates charged and thus ascertain the amount that should have been received on these shipments state and interstate, and then

further applied the formula, the accuracy of their result would have depended upon whether their formula was correct or otherwise. If, in ascertaining the value of the use, consideration must be given to the tonnage carried under reasonable and proper rates, the conclusion reached cannot be correct for the reason that their formula has been applied to a consideration given, not to reasonable rates, but, as the findings show to in many instances grossly unreasonable rates and charges.

When we bear in mind the object of the provision of the statute making it incumbent upon the Commission to make this division of value, namely, to ascertain the proportionate value upon which the road is entitled to earn a return from state traffic it must be apparent that the same general rules must apply in making such division as would be used in dividing the value of any plant or enterprise used for a dual purpose. A manufacturer uses his plant for working up a by-product in connection with his general business. A farm is used for general farming and for dairy purposes and we will assume that conditions are such that both lines must be carried on. In either case the proprietor desires to keep a separate set of books and in opening same it is necessary to charge to capital invested a proportionate amount of the total investment. How would it be done? In the case of the farmer a field is used for raising a crop and before and after the crop it is used for pasture. The same barn is used to house his cattle and store his crop and the same team plows the field and hauls the milk to the shipping depot. The house shelters the laborers engaged in each line of employment and they are fed at a common table. It may be impossible to tell with mathematical accuracy the exact cost expended in either line, but it can be approximated with reasonable certainty. The revenue can be accurately ascertained. The gross revenue from the dairy business may greatly exceed the gross receipts from the farm, but the operating expenses may be so heavy that his net returns from the farm may double that from the dairy. His total investment is \$10,000.00; being of a philanthropic turn he determines that a 6% return is all that he should make on his investment. What would happen if he would divide the value of his plant on any other theory than what the net returns should be? If in case the cost of running the dairy is greater than that connected with the farm he divides his value \$6,000.00 for dairy and \$4,000.00 for farm and then sells his farm products at such a reduced price that will net him only \$4,000.00 and he can only receive a return by reason of competition on other causes, from his dairy on \$4,000.00. He has surely lost a return on \$2,000.00 and it is due to his manner of making the division. No mystery surrounds a division of railroad property. Expert evidence is necessary and was used to ascertain the proper division of cost, of operating expenses, and revenue derived and the total value of the property, the movement of traffic, and its effect, but these facts being found a division does not depend upon expert knowledge and the application of rules and formulas familiar to experts only, but it is

ascertained by the good old fashioned rule of subtracting your operating expenses from your gross receipts in each case thus ascertaining your net returns from each class of business, and the relation such net returns bear to each other is the relative value of the use to which the property is put. The majority opinion says: "An objection to using actual net returns as a basis of division is the fact that such returns are based upon the rates charged. Should a subsequent determination of the reasonableness of rates result in a material change in the schedule of rates the net returns would be directly affected, entirely changing the division thus rendering unstable the very foundation for determining such reasonableness of rates."

The language of Justice Brewer in *Chicago & N. W. Ry. Co. vs. Dey et al.*, 35 Fed Rep. 866, is so apt I quote it: "It is stated that it cannot be determined in advance what the effect of a reduction in rates will be. Often times it increases business. Who can say that it will not in the present case so increase the volume of business as to make it remunerative, even more so than at present. But speculations as to the future are no guides for judicial action. Courts determine rights upon existing facts. Of course there is always a possibility of the future. Good crops may increase the transportation, business and poor crops reduce, high or low rates may likewise effect; but the only fair judicial test is to apply the rates to the business that has been done in the past and see whether upon that basis such rates will be remunerative, or compel the transaction of business at a loss."

My associates also state as a reason for their division, "That a portion of the schedule of interstate rates applicable to this state might yield unremunerative returns, while the entire schedule of interstate rates would yield reasonable returns; then the burden of unremunerative interstate rates within the state would be thrown on the state traffic." Justice Brewer answers this contention as follows: "Again it is stated that this complainant road runs through other states; these states may impose no schedule of rates, part of its business is interstate and only Congress can limit that; so that from the business elsewhere revenues may be earned which will enable it to make up any deficiency in this state. But the invalidity of this schedule [division] does not depend upon legislation or action elsewhere. If this schedule [division] may be put in force here and a similar one may be in Illinois, Minnesota and other states through which the company's road runs. For some purposes its property in this state is separate and distinct from its property elsewhere and out of this property within this state it is entitled to receive compensation. Robbing Peter to pay Paul has never been judicially sanctioned."

I will ask my associates how they will apply this schedule to a road like the Tacoma Eastern, the entire line being in the state of Washington, under the following assumed state of facts, not unreasonable to contemplate. From its report it appears that 96% of its tonnage is forest products. Let us assume that these forest products are manufactured along the line of its road; that the market is St. Paul and

east; that it is able to make traffic arrangements with one of the transcontinental roads by which its proportion of the through rate pays it but a trifle in excess of the cost of service. We will assume that the rate charged is only one-third of the average rate, and that the cost of service is one-half of the average cost of service; my associates would therefore find the value of the property as follows: 96 multiplied by one-third multiplied by one-half equals 16, interstate use; 4 multiplied by 1, multiplied by 1 equals 4, state use. The relative relation interstate and state is as 16 to 4.

If the value of the property is \$5,000,000.00 the Tacoma Eastern should make from its interstate business a return on \$4,000,000.00 and from state business a return on \$1,000,000.00. Here we would be confronted with the fact that it would be impossible for it to make a dollar return on its interstate business and from its state business it would be limited to a return on \$1,000,000.00, although it had \$5,000,000.00 invested and, although the traffic arrangements which it made with the transcontinental road ought to be of advantage both to it and the community that it was serving.

The majority opinion errs wherein it says "The theory (of net returns) involves the proposition that rates should be based not on the cost of service but on what the traffic will bear and move." It does involve a consideration of that element, it also involves the cost of service to the carrier, the value of the service to the shipper, competition, the density of traffic of the particular commodity under consideration, the effect upon the public as well as the railroads and every element that the evidence shows should have a bearing in the particular case. It simply says that it cannot be based on cost of service alone, or any other single element which may be very proper for consideration.

For the foregoing reasons I find myself unable to agree with the majority of the commission in the conclusion reached and have felt it my duty to reach the conclusion above set out.

H. A. FAIRCHILD,  
Chairman of Commission.

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#### EXHIBIT A.

Is a map annexed to original findings and reproduced only on certified copies showing in red the tide lands owned by the Great Northern lying south of Seattle boulevard and east of Fourth avenue.

#### EXHIBIT B.

Is a map annexed to original findings and reproduced only on certified copies showing commercial property of the Great Northern at Smith's Cove.

## Exhibit C.

### GREAT NORTHERN RAILWAY COMPANY.

#### Classification of Train, Engine and Car Miles, and Rules for Apportioning Operating Expenses to Accounting Divisions.

Taking Effect July 1, 1907.

#### CLASSIFICATION OF TRAIN MILES.

##### Revenue Service.

##### 1. Freight

Includes miles run by revenue-earning trains to transport freight, which do not regularly include a car or cars devoted exclusively or principally to revenue passenger business; also miles run by trains consisting of empty freight cars and of trains consisting of an engine and a caboose running light between terminal stations on account of unbalanced traffic or other causes. When milk, express, baggage or other cars are hauled in a freight train and their earnings are classed as freight earnings, the miles of the train should be considered as freight train miles. Freight trains that regularly haul no passenger service equipment, but transport passengers in a caboose should be classed as freight trains, as should also freight trains temporarily using a passenger car in place of a caboose.

##### 2. Mixed

Includes miles run by revenue-earning trains to transport both passengers and freight in cars, each of which is devoted exclusively to either passenger business or freight business.

NOTE—Mileage of Mixed Trains is to be apportioned one-fourth to "Passenger" and three-fourths to "Freight."

##### 3. Passenger

Includes miles run by revenue-earning trains to transport passengers, baggage, mail and express, also miles run by trains consisting of deadhead passenger equipment. When one or more cars other than regular passenger-train cars, such as milk cars, cabooses deadheaded back, etc., are hauled in a passenger train, the miles run by that train should be considered as passenger train miles.

##### 4. Special Service

Includes miles run by revenue-earning trains, such as chartered trains, paid for either on the basis of a rate per mile run or a lump sum for the train; circus and theatrical trains run under contracts

calling for payment of specified amounts for transportation between designated stations; chartered trains for the Federal or State Governments, carrying troops, munitions of war, camp outfits, etc.

NOTE—Mileage of Special Service Trains is to be apportioned to "Passenger" and "Freight," according to the class of service.

#### Non-Revenue Service.

Includes miles run by trains which are not revenue producing, such as:

(a) Of the Passenger Class: Pay-trains, official trains, inspection trains for Railway Commissioners, special trains run to convey fire apparatus for use in saving the company's property from destruction by fire and trains run to convey employees to and from work;

(b) Of the Freight Class: Material and supply trains;

(c) Of the Work Class: Construction trains, trains hauling gravel or other ballast, or engaged in bank widening, ballasting and other maintenance work; wrecking trains, repair trains, snow plows and flangers.

#### Rules for Computation of Train Miles.

1. Revenue Train Miles should be based on the actual distance run between terminals and computed from the official time-table or distance table, the same as for Passenger Miles, Ton Miles and Car Miles.

2. Revenue Passenger trains and Revenue Mixed Trains may incidentally carry private cars, official cars, work or service cars, or cars of related classes; and Revenue Freight Trains may incidentally carry cars containing railway material and supplies, or other freight which does not earn revenue; but whole trains of such cars should be regarded as non-revenue trains and classed accordingly.

3. Non-Revenue Train Miles should be based on the actual distance run between terminals. When work trains are run between terminals and not ordered to work at some specified point or within specified working limits, they should be allowed the actual miles run, the same as any other class of trains. When ordered to run to a certain point to work at that point or within specified working limits, they should be allowed the actual miles made while under running orders and in addition an arbitrary mileage of six miles per hour for the time working at the point or within the working limits named.

4. Each train and each section of a train run by a separate train crew, should be considered a separate train, whether hauled by one or more locomotives for either the whole distance or a part of the distance between the train terminals. There should be nothing added to this distance to cover running from roundhouse to terminal, doubling hills, running for water, switching or other work at way stations, or for the service of helper or pusher engines or the extra engines on double or triple-head trains.

5. Mileage of trains detoured over foreign roads when hauled by the engines and handled by the crews of the home company should



be computed on the basis of miles actually run and classied by the detouring line in its train mileage in accordance with the service performed.

#### CLASSIFICATION OF LOCOMOTIVE MILES.

##### Revenue Service.

###### 1. Freight.

Includes miles run by locomotives between terminals or stations with freight trains.

NOTE.—The mileage of locomotives hauling cabooses only, either for the purpose of hauling traffic or in returning after delivering traffic moving in opposite directions, should be included in "Freight—Light."

###### 2. Freight—Helping.

Includes miles run by locomotives while assisting freight trains either as pushers or as double-headers; also miles run while hauling the second cut of a freight train doubled over grades.

###### 3. Freight—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses, going for or returning from service designated in No. 1; miles run by light locomotives going to or returning from assisting freight trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a freight train doubled over grades; miles run light by locomotives of a freight train to and from next coaling station or water tank for coal or water; miles run light to pick up or assist a freight train at stations between train terminals; miles run to pick up and haul dead freight train locomotives into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from freight-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

###### 4. Mixed.

Includes miles run by locomotives between terminals or stations with mixed trains.

###### 5. Mixed—Helping.

Includes miles run by locomotives while assisting mixed trains either as pushers or double-headers; also the miles run while hauling the second cut of a mixed train doubled over grades.

###### 6. Mixed—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses or passenger-train cars, going for or returning from service designated in No. 4; miles run by light locomotives going to or returning from assisting mixed trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a mixed train doubled over grades; miles run light by mixed train locomotives to and from the next coaling station or water tank for coal or water; miles run light to pick up or assist a mixed

train at stations between train terminals; miles run to pick up and haul dead locomotives from mixed trains into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from mixed-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

NOTE.—Mixed Locomotive Miles is to be apportioned one-fourth to "Passenger" and three-fourths to "Freight."

**7. Passenger.**

Includes miles run by locomotives between terminals or stations with passenger, mail and express trains.

**8. Passenger—Helping.**

Includes miles run by locomotives while assisting passenger, mail and express trains either as pushers or double-headers.

**9. Passenger—Light.**

Includes miles run by locomotives going for or returning from service designated in No. 7; miles run by light locomotives going to or returning from assisting passenger trains, as pushers or double-headers; miles run light by locomotives of a passenger train to and from the next coaling station or water tank, for coal or water; miles run light to pick up or assist a passenger train at stations between train terminals; miles run to pick up and haul dead passenger-train locomotives into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from passenger-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

**10. Special Service.**

Includes miles run by locomotives in special revenue service, such as locomotives hauling chartered trains, paid for either on the basis of a rate per mile run or a lump sum for the train; circus and theatrical trains run under contracts calling for payments of specified amounts for transportation between designated stations; chartered trains for the Federal or State Governments, carrying troops, munitions of war, camp outfits, etc.

**11. Special Service—Helping.**

Includes miles run while assisting special service trains as defined in No. 10, either as pushers or double-headers; also the miles run while hauling the second cut of a special service train doubled over grades.

**12. Special Service—Light.**

Includes miles run by locomotives between terminals or stations, with or without cabooses or passenger-train cars, going for or returning from service designated in No. 10; miles run by light locomotives going to or returning from assisting special service trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a special service train doubled over grades; miles run light by locomotives of special service trains to and from the

next coaling station or water tank, for coal or water; miles run light to pick up or assist a special service train at stations between train terminals, miles run to pick up and haul dead locomotives from special service trains into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from special service trains, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

NOTE.—Special Service Locomotive Miles is to be apportioned to "Passenger" and "Freight," according to the class of service.

### 13. Switching.

Includes miles allowed to locomotives while switching in yards (but not locomotives switching exclusively at shops for shop purposes), and allowed train locomotives for performing switching service at terminals or way stations. Switching miles to be computed at rate of six miles per hour for the actual time engaged in such service in excess of one hour at any one station.

Miles run by switch locomotives helping trains out of terminals will be treated as "Freight—Helping," "Passenger—Helping," etc., according to the class of the train helped. The light miles run by switch locomotives returning to the yard after such helping service will be treated as "Freight—Light," "Passenger—Light," etc., according to the class of the train helped.

NOTE.—Switching locomotive miles is to be apportioned to "Passenger" and "Freight" according to the class of service.

### Non-Revenue Service.

Includes miles run by locomotives in the different classes of service described under "Non-Revenue Service Train Miles," and, in addition, trial trips of locomotives, to be computed as follows:

(a) In the case of trains of the freight class or of the passenger class, and for trial trips of locomotives, the actual miles run by the locomotives.

(b) In case of trains of the work class, when orders are given to a work train to run to a certain point, work between certain limits, and then return, the actual time card mileage will be allowed between points named in running order, and, in addition, six miles per hour for time held between working limits. Work locomotives employed for switching at shops for shop purposes, for spotting cars in gravel pits, working with pile drivers, etc., should be allowed a mileage of six miles per hour for the actual time in service.

### Rules for Computation of Locomotive Miles.

1. All locomotive miles made in hauling trains, except in Helping and Work Train Service, should be based on the actual distance run between terminals, to be computed from the official time-tables, or distance-table, as prescribed for Train Miles.

2. Helping miles of locomotives should be based on the actual distance made with trains in helping service or in doubling hills.

3. Work train locomotive miles should be arrived at as prescribed for Work Train Miles.

4. Light locomotive miles should be based on the actual distance locomotives are run light, or with only a caboose for the entire distance between terminals.

#### CLASSIFICATION OF CAR MILES.

##### Revenue Service.

##### Freight.

1. Loaded.

Includes miles run by all loaded freight cars in freight service.

2. Empty.

Includes miles run by all empty freight cars in freight service.

3. Caboose.

Includes miles run by caboose cars in freight service.

##### Passenger.

4. Passenger Coaches.

Includes miles run by home and foreign passenger coaches, combinations of passenger and baggage, passenger and mail and passenger and express cars, chair and club cars, either in service or deadhead.

5. Sleeping, Parlor and Observation Cars.

Includes miles run by home and foreign sleeping, buffet, parlor and observation cars, either in service or deadhead.

6. Dining Cars.

Includes miles run by home and foreign dining, cafe and other cars devoted exclusively to the serving of meals or other refreshments, either in service or deadhead.

7. Other Passenger Train Cars.

Includes miles run by home and foreign baggage, combination baggage and express and combinations of baggage, mail, postal and express cars; by home and foreign mail, postal and express cars; by business cars and by milk cars in passenger trains; either in service or deadhead.

##### Special Service.

8. Freight—loaded.

9. Freight—empty.

10. Caboose.

11. Passenger Coaches.

12. Sleeping, Parlor and Observation Cars.

13. Dining Cars.

14. Other Passenger Train Cars.

Includes miles run by the foregoing cars under their appropriate classes, in special revenue service as defined in the Classification of Train Miles.

**Non-Revenue Service.**

Includes miles run by cars in non-revenue trains as defined in the Classification of Train Miles, and as subdivided above under the head of "Special Service," items 8, 9, 10, 11, 12, 13 and 14.

**RULES FOR APPORTIONING OPERATING EXPENSES TO ACCOUNTING DIVISIONS.**

Note "A."—The term "Accounting Division" covers not only the divisions established by the Company for its own purposes but the further subdivisions of these when the line involved runs in more than one state, necessary in the preparation of reports to the various states.

Note "B."—By "Track Mileage" is meant the mileage of main, second, third and fourth tracks, yard, passing and spur tracks, sidings and wyes. The mileage at the close of the previous fiscal year is to be used subject to revision on account of the addition during the year of new main, second, third or fourth tracks with their yards, sidings and passing tracks. The addition during the year of yard, passing and spur tracks and sidings not laid in connection with new main tracks, or similar tracks taken up, need not be considered until the revised mileage for a fiscal year is used.

Note "C."—When in making the apportionment it is impracticable to use current train, car or engine mileage, such figures for the preceding month will be used.

**Maintenance of Way and Structures.**

Under the general heading "Maintenance of Way and Structures," all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions on which they occur, viz.:

Ballast.

Ties.

Rails.

Other Track Material.

Roadway and Track.

Tunnels.

Bridges, Trestles and Culverts.

Over and Under Grade Crossings.

Grade Crossings, Fences, Cattle Guards and Signs.

Snow and Sand Fences and Snow Sheds.

Signal and Interlocking Plants.

(Note.—Repairs should be apportioned according to the location of the tower.)

Telegraph and Telephone Lines.

Buildings, Fixtures and Grounds.

Docks and Wharves.

Maintaining Joint Tracks, Yards and Other Facilities—Dr.

Maintaining Joint Tracks, Yards and Other Facilities—Cr.

Charges to the following named primary accounts can not be entirely localized, and should be apportioned as follows:

**Superintendence.**

Charges to this account should be localized in so far as the duties of those officers are local to an accounting division, and similar expenses of officers having jurisdiction over more than one accounting division should be apportioned on the basis of track mileage over which they have jurisdiction.

**Removal of Snow, Sand and Ice.**

The cost or expense of removal of snow, sand and ice should, as far as possible, be located to accounting divisions. Any charges that can not be so located should be apportioned on the basis of track mileage of the territory involved.

**Roadway Tools and Supplies.**

The expenditure should be localized as far as possible. Such expenditures as can not be localized should be apportioned on the basis of cost of labor expended on localized work done in the current month by the gangs to which such tools and supplies are furnished.

**Work Equipment—Repairs.**

Running Repairs should be localized as much as possible. Such expenditures as can not be allotted to one Accounting Division, including General Repairs, should be apportioned on the basis of track mileage of the entire line.

Note.—The cost of repairing damages caused by accidents should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment.

**Work Equipment—Renewals.**

Charges should be apportioned on the basis of track mileage of the entire line.

Note.—The cost incident to replacement of work equipment (less depreciation written off and salvage) taken out of service on account of accidents, should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment.

**Work Equipment—Depreciation.**

Charges should be apportioned on the basis of the track mileage of the entire line.

**Injuries to Persons.**

Charges to this account should be localized as far as possible; and charges that can not be localized should be apportioned on the basis of track mileage of the territory involved.

**Stationery and Printing.**

The cost of stationery and printing used for maintenance of way and structures purposes should be apportioned on the basis of track mileage maintained.

**Insurance.**

Premiums for insurance on maintenance of way and structures should be localized; except upon work equipment, which should be apportioned on basis of track mileage maintained.

**Other Expenses.**

Charges should be localized as far as possible; unlocalized expenses should be apportioned on the basis of track mileage affected.

**Maintenance of Equipment.**

Under the general heading "Maintenance of Equipment," all charges to the following named primary accounts can be localized and should be apportioned to the Accounting Division on which located:

Maintaining Joint Equipment at Terminals—Dr.

Maintaining Joint Equipment at Terminals—Cr.

Charges to the following accounts can not be entirely localized, and should be apportioned as follows:

**Superintendence.**

Charges should be localized in so far as the duties of those officers are local to an accounting division; similar expenses of officers having jurisdiction over more than one accounting division should be apportioned on the basis of total revenue service engine miles over which they have jurisdiction.

**Steam Locomotives—Repairs.**

The cost of Running Repairs should be apportioned on the basis of the mileage of the individual locomotives in the current month and the cost of General Repairs should be apportioned on the basis of the mileage of the individual locomotives since the last General Repairs. The cost of repairing damages caused by accident should be localized to the extent of the damage done, to be determined by the officer in charge of equipment. Charges that can not be assigned to individual locomotives should be apportioned on the basis of the total revenue service engine miles of the current month.

**Steam Locomotives—Renewals.**

Cost of Locomotive (less depreciation written off and salvage) taken out of service on account of accidents, should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment. Other charges should be apportioned on the basis of the total revenue service engine miles for the preceding fiscal year.

**Steam Locomotives—Depreciation.**

The monthly Depreciation should be apportioned on the basis of the total revenue service engine miles for the current month.

**Passenger Train Cars—Repairs.****Freight Train Cars—Repairs.**

The cost of repairing passenger and freight cars should be apportioned on the basis of the mileage of such cars, respectively, of the

current month, except in cases of damage by accidents, in which event, the estimated damage done, to be determined by the officer in charge of equipment, should be localized to the Accounting Division on which the damage occurred.

**Passenger Train Cars—Renewals.**

**Freight Train Cars—Renewals.**

The cost incident to replacement of freight, passenger and dining cars (less depreciation written off and salvage) retired from service on account of accident should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment. Other charges on this account should be apportioned on the basis of the mileage of passenger, freight and dining cars, respectively, for the preceding fiscal year.

**Passenger Train Cars—Depreciation.**

**Freight Train Cars—Depreciation.**

Charges to these accounts should be apportioned on the basis of the mileage of passenger, freight and dining-cars, respectively, for the current month.

**Shop Machinery and Tools.**

If a shop is under the charge of a territorial superintendent, the expenditures should be apportioned over that superintendent's territory on basis of Revenue Train Mileage for the current month.

When the operations of the shop are applicable to the entire road, the expenditures should be apportioned on the basis of Revenue Train Mileage of the whole road.

**Injuries to Persons.**

Charges to this account should be localized by shops as far as possible and should be apportioned on the same basis as charges for machinery and tools at the shop. Charges that can not be localized should be apportioned on basis of total revenue train mileage for the current month of the territory involved.

**Stationery and Printing.**

The cost should be apportioned on the basis of the total revenue train mileage for the current month.

**Insurance.**

Premiums for insurance of equipment should be apportioned to "Locomotives, Passenger Train Cars, Freight Train Cars" and "Floating Equipment," and the amount allotted to each class of rolling stock should be apportioned by Accounting Divisions on the basis of the mileage of that class for the current month. In the case of Floating Equipment, charges should be apportioned equally to the accounting divisions involved.

**Other Expenses.**

Charges should be localized as far as possible. Unlocalized expenses should be apportioned on the basis of the total revenue train mileage of the current month.



**Equipment Borrowed—Dr.**

Charges on account of freight cars should be apportioned on basis of total freight car mileage for the current month. Charges on account of passenger cars should be apportioned on the basis of total passenger car mileage for current month. Charges on account of locomotives and work cars should be apportioned on the basis of total revenue service engine mileage for the current month.

**Equipment Loaned—Dr.**

Credits on account of freight cars should be apportioned on basis of total freight car mileage for the current month. Credits on account of passenger cars should be apportioned on the basis of total passenger car mileage for the current month. Credits on account of locomotives and work cars should be apportioned on the basis of total revenue service engine mileage for the current month.

**Traffic Expenses.**

The primary accounts incident to traffic expenses chargeable to freight traffic should be apportioned on basis of revenue freight train mileage, those chargeable to passenger traffic on basis of revenue passenger train mileage, and those not naturally chargeable to either passenger or freight, or which may be common to both, on basis of the total revenue train mileage, for the current month.

**Transportation Expenses.**

Under the general heading "Transportation Expenses" all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions on which they occur, viz.:

Station Employees.

Yard Masters and their Clerks.

Yard Conductors and Brakemen.

Yard Switch and Signal Tenders.

Yard Supplies and Expenses.

Yard Enginemen.

Enginehouse Expenses—Yard (See Enginehouse Expenses—Road).

Fuel for Yard Locomotives.

Water for Yard Locomotives.

Lubricants for Yard Locomotives.

Other Supplies for Yard Locomotives.

Operating Joint Yards and Terminals—Dr.

Operating Joint Yards and Terminals—Cr.

Water for Road Locomotives.

Interlocking, Block and Other Signals—Operation.

(Note.—Should be apportioned according to location of tower.)

Crossing Flagmen and Gatemen.

Draw Bridge Operation.

(Note.—Should be apportioned equally to Divisions.)

Clearing Wrecks.

**Operating Joint Tracks—Dr.****Operating Joint Tracks—Cr.**

Charges to the following named primary accounts can not be entirely localized and should be apportioned as follows:

**Superintendence.**

Charges should be localized in so far as the duties of the officers are local to a division; similar expenses of officers having jurisdiction over more than one division should be apportioned on the basis of total revenue train mileage for the current month.

**Dispatching Trains.**

When the jurisdiction of any train dispatching office is confined to one Accounting Division, the expenses of that office should be so charged, but when the jurisdiction extends over two or more Accounting Divisions, the apportionment should be on basis of total revenue train mileage for the current month.

**Weighing and Car Service Associations.**

The expenses of Weighing Associations and Inspection Bureaus should be localized so far as possible on the basis of the location of the employees of such Associations and Bureaus; the unlocalized expenses should be apportioned on the basis of the localized expenses. The expenses for car service associations should be apportioned on the basis of the total track mileage on June 30 preceding, within the territory over which such Car Service Associations has jurisdiction.

**Station Supplies and Expenses.**

Charges should be localized as much as possible. Cost of items that can not be allocated to accounting divisions (such as car seals for general distribution to freight stations) should be apportioned on the basis of train mileage for the current month.

**Road Enginemen.**

The wages paid road enginemen should be localized as to engine runs. When one run covers two or more accounting divisions the expense of that run should be apportioned to divisions on the basis of the actual mileage of that run on each.

**Enginehouse Expenses—Road.**

The expenses chargeable to Road Locomotives should be localized as to engine runs; if a run covers two or more accounting divisions the expense should be apportioned upon the actual mileage of that run embraced in each accounting division.

**Fuel for Road Locomotives.****Lubricants for Road Locomotives.****Other Supplies for Road Locomotives.**

The cost of fuel, lubricants and other supplies for road locomotives should be apportioned on the basis of the mileage of the individual locomotives in the current month. Charges that can not be assigned

to individual locomotives, such as sand, will be apportioned on the basis of the total revenue service engine miles for the current month.

**Road Trainmen.**

The wages paid road trainmen should be localized as to train runs; when one run covers two or more accounting divisions, the expense of that run should be apportioned on the basis of the actual mileage on each division in the current month.

**Train Supplies and Expenses.**

The cost of train supplies and expenses should be apportioned on the basis of revenue passenger, freight and mixed train mileage (according to the class of service involved) of the current month.

**Telegraph and Telephone—Operation.**

Charges to this account should be localized as far as possible. Charges which can not be localized should be apportioned on basis of total revenue train mileage of current month.

**Stationery and Printing.**

The cost should be apportioned on basis of total revenue train mileage for the current month.

**Insurance.**

Premiums for insurance incidental to transportation expenses should be localized as far as possible; unlocalized expenses should be apportioned on basis of total revenue train mileage for the current month.

**Other Expenses.**

Charges should be localized as far as possible; expenses which can not be assigned to an individual accounting division should be apportioned on basis of total revenue mileage for the current month.

**Loss and Damage—Freight and Baggage.**

Charges to Loss and Damage—Freight and Baggage, should be localized as far as known. Unlocated Loss and Damage should be apportioned on the basis of road mileage over which the particular shipment was consigned. Pay and expenses of adjusters should be apportioned on basis of the total revenue freight or passenger train mileage, respectively, for the current month, of the accounting division involved.

**Damage to Property.****Damage to Stock on Right of Way.****Injuries to Persons.**

Charges to these accounts should be localized as far as possible; unlocalized items should be apportioned on the basis of the total revenue train mileage for the current month of the accounting divisions involved.

**General Expenses.**

Under the general heading "General Expenses" all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions in which they occur, viz.:

General Administration Joint Tracks, Yards and Terminals—Dr.

General Administration Joint Tracks, Yards and Terminals—Cr.

Charges to the following named primary accounts can not be entirely localized and should be apportioned to accounting divisions, as follows:

**Salaries and Expenses of General Officers.**

**Salaries and Expenses of Clerks and Attendants.**

**General Office Supplies and Expenses.**

**Insurance.**

**Stationery and Printing.**

Charges to these accounts should be apportioned to the accounting divisions on the basis of total train mileage for the current month.

**Law Expenses.**

Law expenses should be localized as far as possible. When such expenses relate to two or more accounting divisions they should be apportioned on the basis of total revenue train mileage for the current month.

**Relief Department Expenses.**

Relief department expenses should be apportioned throughout each fiscal year on basis of number of relief department members located in each accounting division on the 30th day of June preceding.

**Other Expenses.**

Charges should be localized as far as possible. Unlocalized expenses should be apportioned on the basis of the total revenue train mileage for the current month.

## FINDINGS OF FACT APPLICABLE TO THE OREGON RAILROAD & NAVIGATION COMPANY.

### Finding No. 1.

That the Oregon Railroad & Navigation Company is a corporation organized and existing under and by virtue of the laws of the state of Oregon and is the owner and is engaged in operating a line or lines of railroad extending through Oregon, Washington and into Idaho and is engaged as a common carrier in the carriage of freight and passengers for hire. That said road owns and operates 882.34 miles, 262.21 miles of which is within the state of Washington. That in addition thereto the said road operates the Columbia & Palouse Railroad, having a mileage of 144.80 miles, 142.44 miles of which is within the state of Washington; the Walla Walla & Columbia River Railroad, having a mileage of 35.52 miles, 30.18 miles of which is within the state of Washington; the Snake River Valley Railroad, with a mileage of 65.85 miles, all of which is within the state of Washington; the Columbia & Southern Railroad Company, with a mileage of 69.46 miles, and the Columbia River & Oregon Central Railroad Company, with a mileage of 45.31 miles—no portion of said last two mentioned lines being within the state of Washington.

The said railway company, in conjunction with the Northern Pacific Railway Company, operate the Northern Pacific Terminal Company under lease, having a mileage of 2.54 miles, none of which is in the state of Washington.

Making a total mileage operated by said road of 1,245.82 miles, 500.68 miles of which is within the state of Washington. That the main line of said road within the state of Washington extends from the Oregon-Washington boundary line near the Columbia river northerly to Spokane, with numerous branch lines connected therewith, some of which branch lines extend into the state of Idaho, and the main line of the said O. R. & N. Co. extends from a point near the Washington-Oregon boundary westerly to Portland, Oregon, and easterly to Huntington, Oregon.

That in the year 1893 the lines of the Oregon Railway & Navigation Company defaulted in the payment of their fixed charges and a receiver for the said lines was appointed and the said lines remained in the hands of a receiver until August 17, 1896, when said corporation was reorganized under the name of the Oregon Railroad & Navigation Company, the holders of the outstanding bonds sur-

rendering the same and accepting in lieu mortgage bonds of the reorganized company, and said property was purchased at foreclosure sale by the Oregon Railroad & Navigation Company.

That a more detailed statement of the capitalization of said company is hereinafter set out.

#### No. 2.

That that portion of the main track and main line of the Oregon Railroad & Navigation Company extending from the Oregon-Washington boundary, near the Columbia river to Wallula, and consisting of 6.1 miles, was constructed by the Oregon Railway & Navigation Company about the year 1881; that in the construction of said line, in its present condition, exclusive of the sums chargeable to betterments and improvements, the Oregon Railway & Navigation Company expended the sum of \$190,928.39, and that there has been charged to betterments and improvements on said line the sum of \$18,605.07, making a total expenditure on said portion of said line as shown by the records and books of said company, amounting to the sum of \$209,533.46. That in order to reproduce the grading of said road in its present condition it would be necessary to move 48,562 cubic yards of earth a distance of not to exceed 300 feet, 31,105 cubic yards of solid rock a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent 25,240 cubic yards a distance of 100 feet in excess of the 300-foot free haul allowance.

It would be necessary to place 1,838 cubic yards of riprap.

That to produce the bridges, trestles and culverts of said line it would be necessary to construct 64 lineal feet of pile bridges, and steel truss bridge No. 221, as now existing across the Walla Walla river, said bridge being a through Pratt truss, 175 feet in length, containing two concrete abutments necessitating an excavation above water of 239.5 cubic yards, of 43.4 cubic yards below water, the placing of 3.56 cubic yards of cut stone and 282.5 cubic yards of concrete masonry requiring 418,542 pounds of steel and 178 lineal feet of floor system, 759 feet board measure of lumber in wooden boxes, 30 cubic yards of stone masonry in culverts, 60 feet of 24-inch cast-iron pipe. That subsequent to the construction there has been 6,231 cubic yards of earth used in filling bridges and trestles, which is not included in the grading quantities mentioned above; that to reproduce said lines it would be necessary to lay 24,003 ties; 917.10 tons of steel rails, the same requiring 116,936 pounds of rail splices; 12,295 pounds of bolts, 51,528 pounds of spikes, 13,710 light tee plates, 1,520 rail braces and 1,100 pounds of nut locks. That for the purpose of ascertaining the cost of reproduction it is estimated that to reproduce new the frogs and switches on the line would cost in place the sum of \$2,312. That to reproduce the ballast on the said lines it would be necessary to ballast with earth 6.1 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$600 per mile.

That to reproduce the line it would be necessary to lay 8.34 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700 per mile.

That in order to reproduce the said line it would be necessary to place tie plates thereon, the labor for which is estimated for the purpose of ascertaining the cost of reproduction, to cost the sum of \$205.

That it would be necessary in order to reproduce the said line in its present condition to construct 12 miles of barbed wire fence. That the crossings, cattle guards and signs along the line would cost, at present prices, to reproduce the same new, the sum of \$431.24. That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said line would cost to reproduce new the sum of \$184.46.

That the station buildings along the said line consist of a standard two-story station building at Wallula containing 8,861 square feet floor area, and for the purpose of ascertaining the cost of reproduction the furniture and fixtures therein are estimated to cost the sum of \$310.

#### No. 3.

That that portion of the main track and main line of the Oregon Railroad & Navigation Company extending from Wallula to Grange City, and being 65.9 miles in length, was constructed by the Snake River Valley Railroad Company about the year 1899, said Snake River Valley Railroad Company being a corporation organized and existing under and by virtue of the laws of the state of Oregon, having a capital stock of 10,000 shares of the par value of \$100 per share, making a total capitalization of \$1,000,000, of which \$750,000 worth has been issued and is now owned by the Oregon Railroad & Navigation Company; that said Snake River Valley Railroad Company was a subsidiary company of the Oregon Railroad & Navigation Company; that the Oregon Railroad & Navigation Company advanced from its treasury the funds necessary to construct the said line. Since the same was constructed said line has been operated by the Oregon Railroad & Navigation Company; that the total amount expended by the Snake River Valley Railroad Company and the Oregon Railroad & Navigation Company in the construction of said lines, and for betterments and improvements, down to the 30th day of June, 1907, was the sum of \$1,819,881.63; that on the 15th day of June, 1907, the said railroad company authorized an issue of \$2,000,000 worth of bonds, \$1,500,000 of which bonds were issued and delivered to the Oregon Railroad & Navigation Company, which now own said bonds.

That in order to reproduce the grading on said road, in its present condition, it would be necessary to move 1,814,849 cubic yards of earth a distance of not to exceed 300 feet, 60,063 cubic yards of loose rock a distance of not to exceed 300 feet, 395,100 cubic yards of solid rock a distance of not to exceed 300 feet, 376,398 cubic yards of

cemented gravel a distance of not to exceed 300 feet, 214,408 cubic yards of shell rock a distance of not to exceed 300 feet, 182,994 cubic yards of solid rock borrow a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 1,550,586 cubic yards a distance of 100 feet in excess of the said 300-foot free haul allowance. It would be necessary to place 108,450 cubic yards of riprap, requiring 1,226 cubic yards of earth excavation. That along said line there is now 12,804 lineal feet of sidetrack, the grading for which is not included in the grading quantities above mentioned, which grading for the purpose of ascertaining the cost of reproduction is estimated at a cost of 40 cents per lineal foot; that to reproduce the line in its present condition it would be necessary to construct 1,993 lineal feet of timber-lined tunnels, requiring 1,993 lineal feet of tunnel excavation, 5,413 cubic yards of tunnel enlargements, 728,090 feet board measure of timber, and 12,549 pounds of iron.

That to reproduce bridges, trestles and culverts on said line it would be necessary to construct 1,241 lineal feet of pile bridges and 172 lineal feet of frame trestles, one pony Howe truss bridge 42 feet long, 836,525 feet board measure timber in culverts and wooden boxes, and 24 feet of 36-inch cast-iron pipe; that to reproduce said line, including side tracks, it would be necessary to lay 212,455 ties, 8,350.84 tons of steel rails, such steel rails requiring 1,164,009 pounds of splices, 113,101 pounds of bolts, 458,412 pounds of spikes, 4,420 rail braces, 142,370 light tie plates, and 11,920 pounds of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated at a cost of \$5,440, in place. That to reproduce the ballast on said line it would be necessary to ballast with earth 65.87 miles, which for the purpose of reproduction is estimated to cost \$600 per mile. That to reproduce the line in its present condition it would be necessary to lay 72.39 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated at \$700 per mile. That in order to reproduce said line it would be necessary to lay tie plates, which for the purpose of ascertaining cost of reproduction, the labor therefor is estimated at \$2,136.

That it would be necessary in order to reproduce said line in its present condition to construct 115 miles of barbed wire fence, and 3 miles of sand fence.

That the crossings, cattle guards and signs along the line would cost at the present prices to reproduce new the sum of \$1,811.

That in order to reproduce said line in its present condition it would be necessary to install two train order signals, which for the purpose of reproduction are estimated to cost, in place, \$225 each.

That the interests of the Oregon Railroad & Navigation Company in the telegraph line along said line would cost to reproduce new the sum of \$1,988.61.

That the station buildings along said lines consist of 1,320 square feet floor area of Oregon Railroad & Navigation Company's standard



one-story frame station building. That the fixtures for said station buildings for the purpose of reproduction are estimated to cost \$68.

That in order to reproduce said line it would be necessary to construct water stations, which for the purpose of estimating the cost of reproduction are estimated to cost new \$7,231.75.

That the miscellaneous structures along said line consist of 6,071 square feet of floor area of O. R. & N. standard White section houses, 3,035 square feet floor area of Oregon Railroad & Navigation Company's standard Chinese section houses, 5,608 square feet floor area of tool, coal and miscellaneous sheds, 697 square feet of water closets, 896 square feet of oil, sand and pump houses, 8,200 square feet of miscellaneous platforms, 4,112 square feet of ice houses, 3 mail cranes, 420 lineal feet of track sheds and 60 water barrels.

#### No. 4.

That that part of the main line of the Oregon Railroad & Navigation Company in Washington extending from Riparia to La Crosse was constructed by the Oregon Railway & Navigation Company, the grading thereof being largely completed about the year 1883, such grading was abandoned and thereafter, about the year 1888, the said line was completed at a total cost down to the first day of June, 1907, including improvements and betterments, of \$931,261.50.

That in order to reproduce the grading on said line in its present condition it would be necessary to move 340,876 cubic yards of earth a distance of not to exceed 300 feet, 6,557 cubic yards of loose rock a distance of not to exceed 300 feet, 12,584 cubic yards of solid rock a distance of not to exceed 300 feet, 26,047 cubic yards cemented gravel a distance of not to exceed 300 feet, 2,000 cubic yards of boulder gravel a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 362,017 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance.

That it would be necessary to place 13,791 cubic yards of riprap.

That along said line there is now 7,663 lineal feet of side track, the grading for which is not included in the grading quantities above mentioned, the grading of which side tracks, for the purpose of ascertaining the cost of reproduction is estimated at a cost of 40 cents per lineal foot.

That in order to reproduce said line in its present condition, in addition to the grading quantities above set forth, it would be necessary to move and place for the purpose of bank widening 70,061 cubic yards of earth.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 224 lineal feet of pile bridges, 1,623 lineal feet of frame trestle and 450 lineal feet of combination pile and frame bridges; bridge A-0 crossing the Snake river being a through Pratt truss draw bridge, consisting of two 325 feet through

Pratt trusses, and one 352-foot draw span, 2 concrete abutments, and 3 concrete piers, it being necessary to excavate above water 1,210 cubic yards, to excavate below water 2,880 cubic yards, to place 3,503.13 cubic yards of concrete masonry, to place 2,539.62 cubic yards of cut stone, to place in superstructure 2,111,723 pounds of steel, to place in superstructure 3,335 pounds of cast iron; it would require for the caissons 706,630 feet board measure of timber, 114,986 pounds of iron, 70,063 pounds of steel cutting edges; it would require 75,000 pounds of equipments for the draw center 16,891 lineal feet of piling under piers, 1,009 lineal feet of floor system, 75,000 lbs. draw center equipment, and that it would cost for channeling, filling, riprapping and placing rock in crib \$14,070, the above unit not including any material for false work, said bridge being constructed at an actual cost of \$359,117.78; bridge A-10 consists of a 20-foot I beam with 2 concrete abutments, the construction of same requiring 214 cubic yards excavation above water, 99.8 cubic yards concrete masonry, 1.66 cubic yards cut stone, 11,733 pounds steel and 23 lineal feet floor system; bridge A-13 being a 50-foot deck plate girder, with 2 concrete abutments requiring an excavation above water of 2,076 cubic yards, an excavation below water of 566 cubic yards, the placing of 2,491.98 cubic yards of concrete masonry and 1.66 cubic yards of cut stone, and 42,169 pounds of steel, and 52 lineal feet of floor system, the said bridge for the purpose of reproduction being estimated at a cost of \$27,028.50; bridge A-5 being a 65-foot I plate girder with concrete abutments, the construction of same requiring 320 cubic yards excavation above water, 228.26 cubic yards concrete masonry, 1.66 yards cut stone, 104,605 pounds steel, and 68 lineal feet of floor system; bridge A-16 being a 65-foot deck plate girder, with 2 concrete abutments requiring 550 cubic yards of excavation above water, 650 cubic yards of excavation below water, 1,392.2 cubic yards of concrete masonry, 1.66 cubic yards of cut stone, 65,200 pounds of steel, 67 lineal feet of floor system, said bridge for the purpose of ascertaining the cost of reproduction is estimated to cost \$17,620.90; 28,168 feet board measure timber in culverts and wooden boxes, 48 feet of 12-inch cast iron pipe, 72 feet of 16-inch cast iron pipe, 534 feet of 18-inch cast iron pipe, 234 feet of 20-inch cast iron pipe, 1,044 feet of 24-inch cast iron pipe, 72 feet of 30-inch cast iron pipe, 54 feet of 36-inch cast iron pipe, 290 feet of 12-inch vitrified pipe, 296 feet of 15-inch vitrified pipe, 36 feet of 12-inch corrugated steel pipe, 114 feet of 18-inch corrugated steel pipe, and 42 feet of 24-inch corrugated steel pipe, and a concrete arch culvert requiring 100 cubic yards excavation, 140 cubic yards concrete and 16 cubic yards of paving. That subsequent to the construction there has been 984.92 yards of earth moved and used in filling bridges and trestles, which are not included in the grading quantities above mentioned.

That to reproduce said line, including side tracks, it would be necessary to lay 88,582 ties.

That to reproduce said line, including side tracks, it would be

necessary to lay 3,635.74 tons of steel rails; the said steel rails requiring 527,123 pounds of splices, 46,134 pounds of bolts, 190,565 pounds of spikes, 61,460 light tie plates, 4,184 rail braces, and 4,720 pounds of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated at a cost of \$5,818, in place.

That to reproduce the ballast on said line it would be necessary to ballast with earth 24.4 miles, which for the purpose of reproducing is estimated to cost \$600 per mile. That to reproduce the line it would be necessary to lay 30.55 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700 per mile.

That in order to reproduce the said line it would be necessary to lay tie plates, which for the purpose of reproduction the labor therefor is estimated at \$922. That in order to reproduce said line it would be necessary to construct 46 miles of barbed wire fence.

That the crossings, cattle guards, and sign posts along the line would cost at the present prices to reproduce new the sum of \$939.50.

That in order to reproduce the said line, in its present condition it would be necessary to install one train order signal, which for the purpose of reproduction is estimated to cost the sum of \$225.

That the interests of the Oregon Railroad & Navigation Company in the telegraph lines along the said line would cost to reproduce new the sum of \$736.51.

That the station buildings along said line consist of 1,540 square feet floor area of O. R. & N. standard two-story frame station, 192 square feet floor area of O. R. & N. standard one-story frame station, and 4,173 square feet of station platform, and the furniture and fixtures in said station for the purpose of reproduction is estimated to cost new the sum of \$429.

That in order to reproduce the said line in its present condition, it would be necessary to construct water stations along said line, which water stations, for the purpose of ascertaining the cost of reproduction, are estimated to cost the sum of \$6,838.

That the storage warehouses along said line consist of 5,000 square feet of floor area. That the miscellaneous structures along said line consist of 2,270 square feet of floor area of O. R. & N. standard White section houses, 1,342 square feet floor area of O. R. & N. standard Chinese section houses, 684 square feet floor area of offices and dwellings, 576 square feet floor area of tool, coal and miscellaneous sheds, 538 square feet of water closets, 308 square feet of oil, sand and pump houses, 4,000 square feet of miscellaneous platforms, 8,704 square feet of O. R. & N. standard stock yards, 4 mail cranes, and 91 water barrels.

#### No. 5.

That that portion of the main line track of the Oregon Railroad & Navigation Company extending from La Crosse to Colfax, a dis-

tance of 35.64 miles, and that portion of the branch line extending from La Crosse to Connell, and being 53.12 miles in length, constructed by the Columbia & Palouse Railroad Company about the year 1884, said Columbia & Palouse Railroad Company being a corporation having a capital stock of \$1,000,000 and having issued bonds of the amount of \$2,829,000, said company constructing the line as herein-after set out.

That the total cost down to June 30, 1907, for constructing this said line from La Crosse to Colfax and from La Crosse to Connell was the sum \$1,549,898.22, including betterments and improvements.

That in order to reproduce the grading on said main line from La Crosse to Colfax it would be necessary to move 331,429 cubic yards of earth a distance of not to exceed 300 feet, 1,558 cubic yards of loose rock a distance of not to exceed 300 feet, 10,771 cubic yards of solid rock a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 343,758 cubic yards a distance of 100 feet in excess of the said 300 feet free haul allowance, it would be necessary to place 74 cubic yards of riprap.

That along said line from La Crosse to Colfax there is now 14,208 lineal feet of side track, the grading of which is not included in the grading quantities above mentioned, the grading of which side tracks for the purpose of ascertaining the cost of reproduction estimated at a cost of 40 cents per lineal foot.

That since the construction of said road between La Crosse and Colfax the banks have been widened and there has been moved and placed 68,966 cubic yards of material, which is not included in the grading quantities above mentioned.

That to reproduce the bridges, trestles and culverts on said main line from La Crosse to Colfax it would be necessary to construct 1,531 lineal feet of pile bridges and 208 lineal feet frame trestles, 17,936 feet board measure timber in culverts and wooden boxes, 270 feet of 18-inch cast iron pipe, 108 feet of 20-inch cast iron pipe, 636 feet of 24-inch cast iron pipe, 90 feet of 36-inch cast iron pipe, 30 feet of 10-inch vitrified pipe, 44 feet of 14-inch vitrified pipe, 72 feet of 12-inch corrugated steel pipe, 132 feet of 18-inch corrugated steel pipe, and 93,639 cubic yards of material moved and used in filling bridges and trestles, the same not being included in the grading quantities as shown above.

That to reproduce the said line from La Crosse to Colfax including the side tracks along the same it would be necessary to lay 118,317 ties.

That to reproduce the said line from La Crosse to Colfax, including side tracks, it would be necessary to lay 4,245.31 tons of steel rails, the same requiring 648,964 lbs. of splices, 56,750 lbs. of bolts, 254,924 lbs. of spikes, 39,600 heavy tie plates, 2,360 light tie plates, 16,446 rail braces and 5,400 lbs. of nut locks, and frogs and switches

which for the purpose of ascertaining the cost of reproduction are estimated to cost \$4,219.00, in place.

That to reproduce ballast on the said line from La Crosse to Colfax it would be necessary to ballast with earth 6.72 miles, which for the purpose of reproduction it is estimated to cost \$600 per mile. And to ballast with gravel 28.92 miles, which for the purpose of reproduction is estimated to cost \$1,100 per mile.

That to reproduce the line from La Crosse to Colfax it would be necessary to lay 40.43 miles of tracks, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700 per mile.

That in order to reproduce said line from La Crosse to Colfax, in its present condition it would be necessary to lay tie plates, which for the purpose of ascertaining the cost of reproduction the labor therefor is estimated to cost \$529.

That in order to reproduce said line from La Crosse to Colfax, in its present condition, it would be necessary to construct 67.5 miles of barbed wire fence.

That the crossings, cattle guards and signs along the said line from La Crosse to Colfax would cost, at present prices, to reproduce new the sum of \$981.25.

That in order to reproduce said line from La Crosse to Colfax it would be necessary to install 2 train order signals at a cost of \$235 each, and one block signal.

That the interests of the Oregon Railroad and Navigation Company in the telegraph lines along said line from La Crosse to Colfax would cost to reproduce the same new the sum of \$1,070.94.

That the station buildings along the said line from La Crosse to Colfax consist of 6,402 square feet floor area of O. R. & N. standard one story frame station; 12,746 square feet of station platform, and the fixtures in said station buildings are for the purpose of ascertaining the cost of reproduction estimated to cost new the sum of \$1,334.00.

That along said line there is one 60-foot steel turn table, estimated to cost new the sum of \$3,000.

That there are along said line from La Crosse to Colfax water stations, which to reproduce new would cost the sum of \$5,339.00.

That the storage warehouses along said line from La Crosse to Colfax, consist of 1,248 square feet of floor area.

That the miscellaneous structures along said line from La Crosse to Colfax consist of 4,451 square feet floor area of O. R. & N. standard White section houses, 3,229 square feet floor area of O. R. & N. standard Chinese section houses; 3,420 square feet floor area of freight sheds; 572 square feet floor area of offices and dwellings; 2,224 square feet floor area of tool, coal and miscellaneous sheds; 1,618 square feet floor area of water closets; 1,245 square feet floor area of oil, sand and pump houses; 2,951 square feet of miscellaneous platforms; 640 square feet floor area of ice houses, and 37,880 square feet of O. R. & N. standard stock yards; one set of 50-ton track scales; one mail

crane and 50 water barrels, and fire protections for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$520; and 2 sets of stock scales, which for the purpose of ascertaining the cost of reproduction are estimated to cost the sum of \$414 each.

No. 6.

That that portion of the main line of the Oregon Railroad and Navigation Company operated in Washington, extending from Colfax to Farmington, a distance of 27.5 miles was constructed by the Columbia and Palouse Railroad Company on or about the year 1886.

That said line from Colfax to Farmington cost to construct, including betterments and improvements down to the 30th day of June, 1907, the sum of \$447,255.24.

That in order to reproduce the grading on said portion of said road, in its present condition it would be necessary to move 317,450 cubic yards of earth a distance of not to exceed 300 feet; 49,664 cubic yards of loose rock a distance of not to exceed 300 feet; 12,068 cubic yards of solid rock a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 391,903 cubic yards a distance of 100 feet in excess of the 300 feet free overhaul allowance, it would be necessary to place 8,876 cubic yards of riprap it would be necessary to clear 52.2 acres, which for the purpose of reproduction is estimated to cost \$50 per acre, and it would be necessary to grub 69.75 station, which for the purpose of reproduction is estimated to cost \$15 per station.

That along said line there is now 706 lineal feet of side track, the grading for which is not included in the grading quantities above mentioned, and for the purpose of ascertaining the cost of reproduction the grading on said track is estimated at a cost of \$.40 per lineal foot.

That since the construction of said road the banks or grade has been widened necessitating the placing of 49,261 cubic yards of material, which material has not been included in the grading quantities above mentioned, and in order to reproduce the same in its present condition such quantities should be included.

That to reproduce the bridges, trestles and culverts on said portion of said line it would be necessary to construct 112 lineal feet of pile bridge; 352 lineal feet of frame trestle; 448 lineal feet of combination pile and frame bridge; and 224 lineal feet of pile approach steel truss bridge Number A 102, said bridge being a 125-foot through Pratt truss, with 2 concrete abutments, construction of same requiring 176 cubic yards of excavation above water, 286 cubic yards of excavation below water; 36.4 cubic yards of concrete masonry; 3.56 cubic yards of cut stone, and 170,414 pounds of steel, with 128 lineal feet of floor system; steel truss bridge A-89, said bridge being a 150-foot through Pratt truss, with 2 concrete abutments, construction of same requiring 325 cubic yards excavation above water; 317.1 cubic yards excavation below water; 427.9 cubic yards concrete masonry; 3.56

cubic yards cut stone, and 223,210 lbs. of steel, and 153 lineal feet of floor system.

Bridge A-98, same being a 14-foot steel "I" beam, with concrete abutments, construction of same requiring 35 cubic yards excavation above water; 91 cubic yards excavation below water; 64.82 cubic yards concrete masonry; 1.66 cubic yards cut stone; 4,750 lbs. steel, and 17 lineal feet of floor system.

Bridge A-112, same being a 14-foot steel "I" beam, with concrete abutments, the construction of same requiring 70 cubic yards excavation above water; 51 cubic yards excavation below water; 67.02 cubic yards concrete masonry; 1.66 cubic yards cut stone; 4,750 lbs. steel, and 17 lineal feet floor system.

Bridge A-101½, same being a 20-foot steel "I" beam, with concrete abutments, the construction of same requiring 80 cubic yards excavation above water; 87.04 cubic yards concrete masonry; 11,733 lbs. steel, and 23 lineal feet floor system.

Bridge A-117½, same being a 50-foot through plate girder, with concrete abutments the construction of same requiring 114 cubic yards excavation above water; 70 cubic yards excavation below water; 97.36 cubic yards concrete masonry; 1.66 cubic yards cut stone; 68,470 lbs. steel and 53 lineal feet floor system.

Bridge A-109, same being a 65-foot through plate girder, with concrete abutments, the construction of same requiring 181 cubic yards excavation above water; 149.82 cubic yards concrete masonry; 1.66 cubic yards cut stone; 114,146 lbs. steel, and 69 lineal feet floor system.

Bridge A-120, same being a 14-foot steel "I" beam, with concrete abutments, the construction of same requiring 122 cubic yards excavation above water; 67.51 cubic yards concrete masonry; 5,614 lbs. steel, and 17 lineal feet floor system; 28,719 feet board measure timber in culverts; and wooden boxes 60 feet of 12-inch cast iron pipe; 72 feet of 16-inch cast iron pipe; 312 feet of 18-inch cast iron pipe; 312 feet of 20-inch cast iron pipe; 426 feet of 24-inch cast iron pipe; 72 feet of 36-inch cast iron pipe; 278 feet of 6-inch vitrified pipe; 74 feet of 12-inch vitrified pipe; 60 feet of 18-inch corrugated steel pipe; 120 feet of 24-inch corrugated steel pipe; 72 feet of 36-inch corrugated steel pipe.

That subsequent to the construction there has been 10,185 cubic yards of earth used in filling bridges and trestles, which is not included in the grading quantities. That in order to reproduce said portion of said line, including the side tracks it would be necessary to lay 87,925 ties.

That to reproduce the said portion of said line, including side tracks it would be necessary to lay 2,875.16 tons of steel rails, the rails requiring 390,549 lbs. splices, 37,096 lbs. of bolts, 189,552 lbs. of spikes, 28,838 rail braces, and 3,600 lbs. of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated to cost the sum of 2,312.00 in place.

That to reproduce that portion of said line, in its present condition it would be necessary to ballast with earth 2.4 miles, which abutments, the construction of same requiring 80 cubic yards excavation for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$600 per mile, and it would be necessary to ballast with gravel 25.1 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$1,100 per mile.

That to reproduce that portion of the line, in its present condition it would be necessary to lay 29.92 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700 per mile.

That it would be necessary in order to reproduce said line, in its present condition to construct 50.5 miles of barbed wire fence.

That the crossings, cattle guards, and signs along the line would cost, at present price to reproduce new the sum of \$1,320.62.

That to reproduce said portion of said line it would be necessary to install 3 train order signals, at an estimated cost of \$225 each.

That the interests of the Oregon Railroad and Navigation Company in the telegraph lines along said line would cost to reproduce the same new the sum of \$830.22.

That the station buildings along said line consist of 6,611 square feet floor area of O. R. & N standard one-story frame stations, and 9,653 square feet of station platforms, and the furniture and fixtures in said station buildings for the purpose of reproduction are estimated to cost new \$876.00.

That in order to reproduce the water stations along said portion of said line new, it would cost the sum of \$5,499.00.

That the storage warehouses along said line consist of 9,800 square feet floor area and that the miscellaneous structures along said line of 2,244 square feet floor area of O. R. & N. standard White section houses; 294 square feet floor area of O. R. & N. standard Chinese section houses; 1,016 square feet floor area of tool, coal and miscellaneous sheds, 496 square feet floor area of water closets; 192 square feet floor area of oil, sand and pump houses; 7,000 square feet of miscellaneous platforms; 14,904 square feet of O. R. & N. standard stock yards; and 48 water barrels.

#### No. 7.

That that portion of the main track and line of the Oregon Railroad and Navigation Company in Washington, extending from Farmington to Rockford, a distance of 33.8 miles in length was constructed by the Washington and Idaho Railroad Company, a subsidiary corporation of the Oregon Railway and Navigation Company, in the year 1888.

That it cost said Washington and Idaho Railroad Company to construct said line, approximately \$562,086.93, and the same has cost the Washington and Idaho Railroad Company and the Oregon Railroad and Navigation Company, exclusive of discount and equipment and



interest during construction down to the 30th day of June, 1907, the sum of \$693,877.56.

That upon the completion of said road by the Washington and Idaho Railroad Company they issued their mortgage bonds for the sum of \$30,000 per mile, and transferred the same to the Oregon Railway and Navigation Company, the capital stock of said railroad was also delivered to the Oregon Railway and Navigation Company and upon re-construction of said company the Oregon Railroad and Navigation Company became the owner of said lines.

That in order to reproduce the grading on the said line, in its present condition, it would be necessary to move 433,912 cubic yards of earth a distance of not to exceed 300 feet; 395 cubic yards of loose rock a distance of not to exceed 300 feet; 26,973 cubic yards of solid rock a distance of not to exceed 300 feet; 20,452 cubic yards of cemented gravel a distance of not to exceed 300 feet, and 1,784 cubic yards of shell rock a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 127,931 cubic yards a distance of 100 feet in excess of said 300 foot free haul allowance. It would be necessary to place 1,001 cubic yards of riprap.

That it would be necessary to clear 30.86 acres, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$50 per acre.

That it would be necessary to grub 83 stations which for the purpose of ascertaining the cost of reproduction is estimated to cost \$15 per station.

That along said portion of said line there is now 7,470 lineal feet of said track, the grading for which side track is not included in the quantities above mentioned, which for the purpose of ascertaining the cost of reproduction is estimated to cost 40c per lineal foot.

That since the construction of said road the grade and banks have been widened necessitating the placing of 49,261 cubic yards of material, which material has not been included in the grading quantities above mentioned, and to reproduce said line the same should be included. That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 510 lineal feet of pile bridges, 374 lineal feet frame trestles.

Bridge A-175, same being a 14-foot steel "I" beam, with concrete abutments the construction of same requiring 87 cubic yards excavation above water; 44 cubic yards excavation below water; 68.33 cubic yards concrete masonry; 1.66 cubic yards cut stone; 5,614 lbs. steel, and 17 lineal feet of floor system.

Bridge A-138, same being a 20-foot steel "I" beam, with concrete abutments, the construction of same requiring 14 cubic yards excavation above water; 82 cubic yards excavation below water; 85.12 cubic yards concrete masonry; 1.66 cubic yards cut stone; 11,636 lbs. steel, and 23 lineal feet of floor system.

Bridge A-185, same being an 80-foot through plate girder, with con-

crete abutments, the construction of same requiring 240 cubic yards excavation above water; 133 cubic yards excavation below water; 418.50 cubic yards concrete masonry; 266 cubic yards cut stone; 145,293 lbs. steel, and 83 lineal feet of floor system.

Bridge A-146, same being an 80-foot through plate girder, with concrete abutments, the construction of same requiring 287 cubic yards excavation above water; 178 cubic yards excavation below water; 442.69 cubic yards concrete masonry; 2.66 cubic yards cut stone; 146,157 lbs. steel, and 83 lineal feet floor system.

Bridges A-144 and A-145, the same consisting of two 80-foot deck plate girders, and 4 concrete abutments, the construction of which would require 1,333 cubic yards of excavation above water; 705 cubic yards of excavation below water; 1,967.14 yards of concrete masonry; 5.32 cubic yards of cut stone; 208,420 pounds of steel and 164 lineal feet of floor system; 54,804 feet board measure timber in culverts; and wooden boxes; 156 lineal feet of 12-inch cast iron pipe; 48 feet of 16-inch cast iron pipe; 536 feet of 18-inch cast iron pipe; 1,580 feet of 20-inch cast iron pipe; 2,454 feet of 24-inch cast iron pipe; 132 feet of 30-inch cast iron pipe; 126 feet of 36-inch cast iron pipe; 48 feet of 18-inch corrugated steel pipe; 96 feet of 36-inch corrugated steel pipe.

That subsequent to the construction there has been moved and used in filling the bridges 105,825 cubic yards of material, which is not included in the grading quantities showed above, and which should be included in the estimate of the cost of reproduction.

That in order to reproduce the said portion of said line, including the side tracks, it would be necessary to lay 117,280 ties.

That in order to reproduce said portion of said line, including side tracks, it would be necessary to lay 4443.83 tons of rails, that said rails require 828,455 pounds of splices, 59,148 pounds of bolts, 252,512 pounds of spikes, 164,918 heavy tie plates, 7,650 rail braces, and 4,520 pounds of nut locks and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated to cost \$8,150.00 in place.

That to reproduce said portion of said line, in its present condition, it would be necessary to ballast with gravel 4.32 miles, which for the purpose of reproduction, is estimated to cost \$1,100 per mile; and it would be necessary to ballast with tailings 29.42 miles, which for the purpose of ascertaining the cost of reproduction, is estimated to cost \$1,500 per mile.

That to reproduce that portion of said line, in its present condition, it would be necessary to lay 40.27 miles of track, which for the purpose of ascertaining the cost of reproduction, is estimated to cost \$700 per mile.

That in order to reproduce said line, in its present condition, it would be necessary to lay tie plates, for the purpose of ascertaining the cost of reproduction labor therefor is estimated to cost \$2,474.

That it would be necessary, in order to reproduce said line in its present condition, to construct 60.5 miles of barbed wire fence.

That the crossings, cattle guards, and signs along the line would cost at present prices to reproduce new, \$2,205.25.

That to reproduce said portion of said line it would be necessary to install four train order signals, at an estimated cost of \$225 each.

That the interests of the Oregon Railroad & Navigation Company in the telegraph lines along the said line would cost to reproduce the same new the sum of \$1,018.91.

That the station buildings along said line consist of 5,469 square feet of floor area of O. R. & N. standard two story station buildings, 1,517 square feet floor area of O. R. & N. standard one story frame station buildings; 15,970 square feet floor area of station platforms, and the fixtures and furniture in said building for the purpose of reproduction are estimated to cost the sum of \$1,387.00.

That the shops, round houses and turn tables along said portion of said line consist of 5,866 square feet floor area of frame shops; one 6 stall frame engine house; one 60-foot steel turn table, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$3,000.

That to reproduce said water stations along said line new, it would cost \$8,288.00.

That to reproduce the fuel stations along said portion of said line it would be necessary to construct a 10-pocket coal chute, which for the purpose of reproduction is estimated to cost \$8,000.00.

That the miscellaneous structures along said line consist of 3,715 square feet floor area of O. R. & N. standard White section houses, 2,134 square feet Chinese section houses; 1,450 square feet of freight sheds; 1,528 square feet of offices and dwellings; 2,784 square feet of tool, coal and miscellaneous sheds; 615 square feet of water closets; 962 square feet floor area of oil, sand and pump houses; 12,000 square feet of miscellaneous platforms; 912 square feet floor area of ice houses; 13,136 square feet of O. R. & N. standard stock yards; one set of 80-ton track scales; 1 mail crane, and 43 water barrels and fire protection, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$520.

#### No. 8.

That that portion of the main line and track of the Oregon Railroad & Navigation Company extending from Rockford to Spokane, a distance of 26.9 miles in length, was constructed by the Washington & Idaho Railroad Company about the year 1889.

That said road cost the said Washington & Idaho Railroad Company to construct the same approximately the sum of \$629,215.95, and the said portion of said line, including betterments and improvements, has cost in cash down to the 30th day of June, 1907, the sum of \$871,339.50.

That immediately after the completion of said portion of said line, and about the year 1889, the said Washington & Idaho Railroad Company issued its mortgage bonds against said portion of said line for

the sum of \$30,000 per mile, and delivered the same to the Oregon Railway & Navigation Company. The said portion of said line was constructed with funds furnished the Washington & Idaho line by the Oregon Railway & Navigation Company. The Oregon Railroad & Navigation Company now own said line.

That to reproduce the grading on said portion of said line, in its present condition, it would be necessary to move 295,777 cubic yards of earth a distance of not to exceed 300 feet; 35,709 cubic yards of loose rock a distance of not to exceed 300 feet; 65,347 cubic yards of solid rock a distance of not to exceed 300 feet, 82,171 yards of cement gravel a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 424,148 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance. It would be necessary to place 1,628 cubic yards of riprap.

That it would be necessary to clear 239.26 acres, which for the purpose of ascertaining the cost of reproduction, is estimated to cost \$50 per acre; it would be necessary to grub 431 stations, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$15 per station.

That along said line there is now 16,077 lineal feet of side track, not included in the grading quantities above mentioned, which for the purpose of ascertaining the cost of reproduction, such grading is estimated to cost 40 cents per lineal foot.

That since constructing such road the banks and grades have been widened, necessitating the placing of 38,314 cubic yards of material, which is not included in the grading quantities above mentioned.

That in order to reproduce the bridges, trestles and culverts on said portion of said line, it would be necessary to construct 510 lineal feet of pile bridges; 80 lineal feet of frame trestles; 336 lineal feet of combination pile and frame bridges; bridge A 206, the same being over the Spokane River, consists of 3 one hundred and fifty-foot truss; one 65-foot deck plate girder; and one 35-foot deck plate girder; 2 concrete abutments and 4 concrete piers, the construction of said bridge requiring 812 cubic yards of excavation above water; 57 cubic yards of excavation below water; 852.2 cubic yards of concrete masonry; 1.3 cubic yards of cut stone; 1,187,511 pounds of steel, and 550 lineal feet of floor system; bridge A 201, the same being a 20-foot I beam with 2 concrete abutments, the construction of same requiring 113 cubic yards excavation above water; 104.94 cubic yards concrete masonry; 13,286 pounds of steel, and 23 lineal feet of floor system; 58,189 feet board measure timber in culverts and wooden boxes; 462 lineal feet of 18-inch cast iron pipe; 192 lineal feet of 20-inch cast iron pipe; 1,440 lineal feet of 24-inch cast iron pipe; 480 lineal feet of 30-inch cast iron pipe; 168 feet of 36-inch cast iron pipe; 72 feet 12-inch corrugated steel pipe; 46 feet 18-inch corrugated steel pipe, and 36 feet 30-inch corrugated steel pipe and 49.5 cubic yards stone masonry in culverts, concrete arch culverts, the construction of same requiring 1,052 cubic yards excavation above water; 1,193

cubic yards excavation below water; 3,071.48 cubic yards concrete masonry and 11 cubic yards stone paving.

That subsequent to construction there has been 308,845 cubic yards of material used in filling bridges and trestles, which is not included in the grading quantities above mentioned.

That to reproduce said portion of said line, including side tracks, it would be necessary to lay 90,049 ties.

That to reproduce said portion of said line including side tracks, it would be necessary to lay 3,534.61 tons of steel rails, the same requiring 701,437 pounds of splices; 47,263 pounds of bolts; 194,060 pounds of spikes; 157,800 heavy tie plates; 2,782 rail braces and 3,160 pounds of nut locks, and frogs and switches are estimated at a cost of \$4,765.00 in place.

That to reproduce that portion of said line, in its present condition it would be necessary to ballast with gravel 25.47 miles, which for the purpose of reproduction the same is estimated to cost \$1,100.00 per mile, and to ballast with tailing 1.25 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$1,500 per mile.

That to reproduce that portion of the line, in its present condition, it would be necessary to lay 30.82 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated at \$700 per mile.

That to reproduce said line it would be necessary to lay tie plates, the labor therefor for the purpose of ascertaining the cost of reproduction is estimated at \$2,367.00

That it would be necessary in order to reproduce said line in its present condition to construct 44.5 miles of barbed wire fence.

That the crossings, cattle guards and signs along the line would cost at the present prices to reproduce new the sum of \$2,525.50.

That in order to reproduce the said portion of said line it would be necessary to install train order signals at a cost of \$225, and 1 block signal at a total cost of \$949.00; and 2 interlocking plants, at a total cost of \$18,399.15.

That the interests of the Oregon Railroad and Navigation Company in the telegraph lines along that portion of said line would cost to reproduce the same new the sum of \$812.67.

That the station buildings along that portion of said line, consist of 1,104 square feet floor area of O. R. & N. standard one-story frame station; 685 square feet of station platform and the furniture and fixtures for said station buildings for the purpose of reproduction is estimated to cost the sum of \$1,160.50.

That to reproduce the water stations along said portion of said line would cost \$3,975.00.

That the miscellaneous structures along said line consist of 683 square feet floor area of O. R. & N. standard white section houses; 682 square feet of O. R. & N standard Chinese section houses; 1,412 square feet floor area of freight sheds; 1,200 square feet floor area

of offices and dwellings; 1,448 square feet floor area of tool, coal and miscellaneous sheds; 240 square feet of water closets; 1,292 square feet floor area of oil, sand and pump houses; 3,690 square feet of miscellaneous platforms; 4,154 square feet of O. R. & N. standard stock yards; one set of 80-ton track scales, 2 mail cranes, and 63 water barrels.

No. 9.

That that portion of the main line and track of the Oregon Railroad and Navigation Company in Washington, extending from Winona to Seltice and being 47.95 miles in length was constructed by the Oregon Railway Extension Company in the year 1888, at a total cost to said Oregon Railway Extension Company of \$835,843.69.

That said Oregon Railway Extension Company was a subsidiary corporation of the Oregon Railway and Navigation Company and constructed said line with funds furnished it from the treasury of the Oregon Railway and Navigation Company.

That immediately after constructing this line for the price aforesaid, the Oregon Railway Extension Company caused their mortgage bonds to be issued against said property for the sum of \$22,000 per mile, or a total of \$1,056,000, which bonds it immediately deposited with the Oregon Railway and Navigation Company.

That the Oregon Railroad and Navigation Company, upon reorganization, became the owner of the capital stock and owner of the said line, and is now such owner.

That the total cost of said portion of said line, including improvements and betterments down to and including the 30th day of June, 1907, was the sum of \$894,345.27.

That in order to reproduce the grading on such portion of said road in its present condition it would be necessary to move 866,476 cubic yards of earth a distance of not to exceed 300 feet; 8,376 cubic yards of loose rock a distance of not to exceed 300 feet; 17,674 cubic yards of solid rock a distance of not to exceed 300 feet; 78,809 cubic yards of cemented gravel a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 770,417 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance. It would be necessary to place 6,797 cubic yards of riprap; it would be necessary to clear 15.75 acres, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$50 per acre; and it would be necessary to grub 30 stations, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$15 per station.

That along said line there is now 6,944 lineal feet of side track, the grading of which is not included in grading quantities above mentioned, which for the purpose of ascertaining the cost of reproduction is estimated to cost 40c per lineal foot.

That since the original construction of said road the grade and banks have been widened necessitating the placing of 68,966 cubic

yards of material, which is not included in the grading quantities above mentioned.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 2,078 lineal feet of pile bridges, and 48 lineal feet of frame trestles, and 109 lineal feet of pile approach bridge number C 3, the same being a 150-foot through Pratt truss, with 1 concrete abutment and 1 concrete pier, the construction of said bridge requiring 100.15 cubic yards of excavation above water; and 531 cubic yards of excavation below water; 447.3 cubic yards of concrete masonry; 3.56 cubic yards of cut stone; 200,045 pounds of steel; 153 lineal feet of floor system; 48,883 feet board measure timber in culverts and wooden boxes; 996 feet of 18-inch cast iron pipe; 1,212 feet of 20-inch cast iron pipe; 2,355 feet of 24-inch cast iron pipe; 144 feet of 30-inch cast iron pipe; 300 feet of 36-inch cast iron pipe; 216 feet of 18-inch corrugated steel pipe; 192 feet of 24-inch corrugated steel pipe; and 48 feet of 36-inch corrugated steel pipe.

That since the construction of said portion of said line there has been 18,850 cubic yards of material used in filling bridges and trestles, which material is not included in the grading quantities above set out.

That to reproduce said line, including the side tracks along the same it would be necessary to lay 154,416 ties.

That to reproduce said line, in its present condition, including the side tracks along the said line, it would be necessary to lay 5,136.11 tons of steel rails, the same requiring 746,308 pounds of splices; 64,397 pounds of bolts; 332,864 pounds of spikes; 49,300 heavy tie plates; 32,457 rail braces, and 5,840 pounds nut locks; and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated at a cost of \$4,765 in place.

That to reproduce the ballast on said line it would be necessary to ballast with earth 30.82 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$600 per mile; and to ballast with gravel 17.13 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$1,100 per mile.

That to reproduce the line it would be necessary to lay 52.59 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700 per mile, and it would be necessary to place tie plates along said line, the labor for which is estimated to cost \$739.

That it would be necessary to reproduce said line, in its present condition, to construct 91.5 miles of barbed wire fence.

That the crossings, cattle guards and signs along the line would cost, at present prices, to reproduce new the sum of \$2,268.30.

That the interests of the Oregon Railroad and Navigation Company, in the telegraph lines along said portion of said line would cost to reproduce new the sum of \$1,447.61.

That the station buildings along said line consist of 5.992 square

feet floor area of O. R. & N. standard one-story frame station; 7,167 square feet floor area of station platform; and the furniture and fixtures new for such station buildings are estimated for the purpose of ascertaining the cost of reproduction to cost the sum of \$772.50.

That to reconstruct new the water stations along said portion of said line would cost the sum of \$8,468.00.

That the miscellaneous structures along said line consist of 4,123 square feet floor area of O. R. & N. standard white section houses; 2,373 square feet floor area of O. R. & N. standard Chinese section houses; 1,324 square feet floor area of tool, coal and miscellaneous sheds; 536 square feet floor area of water closets; 504 square feet floor area of oil, sand and pump houses; 6,529 square feet of miscellaneous platforms; 10,912 square feet of O. R. & N. standard stock yards, and 70 water barrels.

#### BRANCH LINES.

That in addition to the foregoing main lines of the Oregon Railroad & Navigation Company, in the State of Washington, it owns and operates the branch lines hereinafter set out.

##### No. 10.

That that portion of the branch line of the Oregon Railroad & Navigation Company in Washington, extending from Walla Walla to the Oregon, Washington state line, and being 4.58 miles in length, was constructed by the Oregon Railway & Navigation Company in 1883, and cost said Oregon Railway & Navigation Company and the Oregon Railroad & Navigation Company, including betterments and improvements down to the 30th day of June, 1907, the sum of \$88,138.92.

That in order to reproduce the grading on said portion of said line in its present condition, it would be necessary to move 47,503 cubic yards of earth, a distance of not to exceed 300 feet; 14,189 cubic yards of boulder gravel a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 61,692 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance.

That to reproduce the bridges, trestles and culverts on said line, it would be necessary to construct 352 lineal feet of pile bridges; 144 feet of frame trestles; 1,760 feet B. M. timber in wooden boxes; 36 feet of 20-inch cast iron pipe; 24 feet of 24-inch cast iron pipe; and 24 feet of 18-inch corrugated steel pipe.

That subsequent to the construction of the road there has been moved and used in filling bridges 2,730 cubic yards of material, which is not included in the grading quantities shown above and which should be included in the estimate of the cost of reproduction.

That to reproduce the said line, including side tracks along the same, it would be necessary to lay 13,579 ties.



That to reproduce the said line it would be necessary to lay 431.85 tons of steel rails; the same requiring 58,099 pounds of splices; 5,282 pounds bolts; 29,285 pounds of spikes; 1,460 rail braces, and 820 pounds of nut locks.

That to reproduce the ballasting on said line it would be necessary to ballast with earth 4.58 miles, which for the purpose of ascertaining the cost of reproduction, is estimated to cost \$600.00 per mile.

That to reproduce the line it would be necessary to lay 4.58 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700.00 per mile.

That it would be necessary, in order to reproduce said line, in its present condition, to construct ten miles of barbed wire fence.

That the crossings, cattle guards and signs along the said line would cost, at present prices, to reproduce new, the sum of \$214.10.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said portion of said line, would cost, to reproduce new, the sum of \$138.27.

That to reconstruct new, the fuel stations along the said portion of said line, it would be necessary to construct one 10 pocket coal chute, which for the purpose of ascertaining the cost of reproduction, is estimated to cost the sum of \$8,000.00.

#### No. 11.

That that portion of the branch line in Washington extending from Wallula to Walla Walla, consisting of 31.2 miles, was constructed by the Walla Walla and Columbia River Railroad Company about the year 1873, the same being constructed as a narrow gauge road; that about the year 1881 the Oregon Railway & Navigation Company purchased said line and converted the same into a standard gauge railroad. That in the construction and improvement of the said narrow gauge road and down to the time of the transfer thereof to the Oregon Railroad & Navigation Company, there had been expended in the construction and equipment thereof the sum of \$286,874.76. That since the acquisition of the said property and down to June 30th, 1907, the Oregon Railway & Navigation Company and the Oregon Railroad & Navigation Company have expended in converting the same into a standard gauge railroad and in betterments and permanent improvements, exclusive of equipment, the sum of \$413,340.02, making a total cost for said road, exclusive of equipment of the sum of \$700,214.78.

That in order to reproduce the grading on said road in its present condition, it would be necessary to move 391,047 cubic yards of earth a distance of not to exceed 300 feet; 11,165 cubic yards of solid rock a distance of not to exceed 300 feet; 2,891 cubic yards of cemented gravel a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of

405,103 cubic yards a distance of 100 feet in excess of said 300-foot-free haul allowance.

That it would be necessary to place 1,880 cubic yards of riprap.

That along said line there is now 4,312 lineal feet of side track, the grading for which is not included in the grading quantities above mentioned, which grading for the purpose of ascertaining the cost of reproduction is estimated to cost 40 cents per lineal foot.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 698 lineal feet of pile bridges; 344 feet of frame trestles; 96 feet of pile approach; one 108-foot Howe Truss bridge; 85,165 feet B. M. timber in culverts and wooden boxes; 25 feet of 12-inch cast iron pipe; 48 feet of 18-inch cast iron pipe; 682 feet of 24-inch cast iron pipe; 30 feet of 6-inch vitrified pipe; 66 feet of 18-inch vitrified pipe; 36 feet of 24-inch corrugated steel pipe, and 32 feet of 36-inch corrugated steel pipe and small steel irrigating pipe, which last item for the purpose of ascertaining the cost of reproduction is estimated to cost in place the sum of \$169.50; and 21 cubic yards stone masonry in culverts.

That subsequent to construction there has been 11,387 cubic yards of earth moved and used in filling bridges and trestles which is not included in said grading quantities above mentioned. That to reproduce the said line, including the side tracks, in its present condition, it would be necessary to lay 95,358 ties. That to reproduce the said line, including the side tracks, in its present condition, it would be necessary to lay 2,827.31 tons of steel rails, the same requiring 401,718 pounds splices, 37,250 pounds bolts, 205,844 pounds of spikes, 16,420 rail braces and 3,840 pounds of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated to cost \$1,511.00 in place.

That to reproduce the ballast on said line it would be necessary to ballast with earth 31.05 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$600 per mile. That to reproduce the line in its present condition it would be necessary to lay 32.27 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$700 per mile.

That it would be necessary in order to reproduce the said line in its present condition to construct 62 miles of barbed wire fence. That the crossings, cattle guards and signs along the said line would cost at present prices to reproduce new the sum of \$2,234. That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said line would cost to reproduce new the sum of \$944.34.

That the station buildings along the said line consist of 384 square feet floor area of O. R. & N. standard one-story frame station buildings; 816 square feet floor area of frame station platforms, and the furniture and fixtures for the said station buildings, which furniture and fixtures for the purpose of ascertaining the cost of reproduction are estimated at a cost new of \$458. That the shops, round houses

and turn tables along the said line consist of 384 square feet floor area of frame shops. That the water stations along the said line would cost to reproduce new the sum of \$2,823. That the storage warehouses along the said line consist of 6,536 square feet of frame warehouses.

That the miscellaneous structures along the said line consist of 2,976 square feet floor area of O. R. & N. standard white section houses; 1,308 square feet floor area of O. R. & N. standard Chinese section houses; 904 square feet floor area of tool, coal and miscellaneous sheds; 432 feet floor area of standard water closets; 733 square feet of standard oil, sand and pump houses; 4,916 square feet of miscellaneous platforms; 1,350 square feet of standard stockyards and 60 water barrels.

No. 12.

That that portion of the branch line of the Oregon Railroad & Navigation Company extending from Fairfield to Waverly, a distance of 4.76 miles in length, was constructed by the Oregon Railroad & Navigation Company in the year 1899, at a total cost, including betterments and improvements, down to the 30th day of June, 1907, the sum of \$51,691.63.

That in order to reproduce the grading on the said line in its present condition it would be necessary to move 72,583 cubic yards of earth a distance of 300 feet; 3,123 cubic yards of solid rock a distance of not to exceed 300 feet; 2,067 cubic yards of cemented gravel a distance of not to exceed 300 feet; and of the above mentioned quantities it would be necessary to move an equivalent of 52,669 cubic yards a distance of 100 feet in excess of said 300-foot haul allowance.

That it would be necessary to clear 10 acres, which for the purpose of ascertaining the cost of reproduction is estimated at \$50 per acre.

That there is along the said line 764 lineal feet of side tracks the grading of which is not included in the grading quantities above mentioned, and which for the purpose of ascertaining the cost of reproduction is estimated at the cost of 40 cents per lineal foot.

That to reproduce the bridges, trestles and culverts along the said line it would be necessary to construct 594 lineal feet of pile approach; one 130-foot Howe Truss bridge; 26,379 feet B. M. timber in culverts and wooden boxes; 108 feet of 16-inch cast iron pipe.

That in order to reproduce the said line in its present condition, including side tracks, it would be necessary to lay 17,993 ties.

That in order to reproduce the said line in its present condition, including side tracks, it would be necessary to lay 548.30 tons of steel rails, the same requiring 69,853 pounds of splices, 7,190 pounds of bolts, 38,652 pounds of spikes, 4,816 rail braces and 580 pounds of nut locks, and frogs and switches which for the purpose of ascertaining the cost of reproduction are estimated to cost \$1,837, in place.

That to reproduce the ballast on the said line it would be necessary to ballast with earth 4.76 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$600 per mile. That in

order to reproduce the line in its present condition it would be necessary to lay 6.14 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated at the sum of \$700 per mile.

That it would be necessary, in order to reproduce the said line in its present condition, to construct 8 miles of barbed wire fence. That the crossings, cattle guards and signs along the line would cost at present prices to reproduce new the sum of \$363.. That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said branch line would cost to reproduce new the sum of \$143.70.

That the station buildings along the said line consist of 1,560 square feet floor area of O. R. & N. standard one-story station buildings; 2,752 square feet floor area of station platforms, and furniture and fixtures for the said station buildings would cost to reproduce new the sum of \$229.

That the miscellaneous structures along the said line consist of 24 square feet floor area of water closets; 1,000 square feet floor area of miscellaneous platforms; 3,200 square feet of O. R. & N. standard stockyards; one set of 80-ton track scales, and 3 water barrels.

#### No. 13.

That that portion of the branch line of the Oregon Railroad & Navigation Company in the state of Washington, extending from Tekoa to the Idaho-Washington state line, being 2.15 miles in length, was constructed by the Washington & Idaho Railroad Company in the year 1889, at a total cost to the Idaho & Washington Railroad Company, the Oregon Railway & Navigation Company, and the Oregon Railroad & Navigation Company, down to the 30th day of June, 1907, including betterments and improvements, of the sum of \$66,070.95.

That upon the said line the said Washington & Idaho Railroad Company issued its bonds to the amount of \$30,000 per mile and delivered the same to the Oregon Railway & Navigation Company, and the Oregon Railway & Navigation Company is now the owner of the said road.

That in order to reproduce the grading on the said line it would be necessary to move 37,581 cubic yards of earth a distance of not to exceed 300 feet; 3,296 cubic yards of solid rock a distance of not to exceed 300 feet; 2,778 cubic yards of cemented gravel a distance of not to exceed 300 feet; and 281 cubic yards of shell rock a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 9,800 cubic yards a distance of 100 feet in excess of the 300-foot free haul allowance.

That it would be necessary to place 309 cubic yards of riprap. That it would be necessary to clear 2.73 acres, which for the purpose of ascertaining the cost of reproduction is estimated at \$50 per acre, and to grub 5 stations, which for the purpose of ascertaining the cost of reproduction is estimated at \$15 per station.

That since the construction of the said road the grade and banks

have been widened, necessitating the placing of 4,105 cubic yards of earth which is not included in the grading quantities above mentioned.

That to reproduce the bridges, trestles and culverts on the said branch line it would be necessary to construct bridge No. E 4, the same being a 50-foot through plate girder, with two concrete abutments, the construction of same requiring 43 cubic yards excavation above water, 131 cubic yards excavation below water, 285.2 cubic yards concrete masonry, 1.66 cubic yards cut stone, 68,431 pounds steel, and 53 lineal feet of floor systems; and bridge E 1, being a 65-foot through plate girder, with two concrete abutments, the construction of same requiring 112 cubic yards excavation above water, 180 cubic yards excavation below water, 251.26 cubic yards concrete masonry, 166 cut stone, 104,463 pounds steel, and 68 lineal feet floor system; 480 feet B. M. timber in wooden culverts; 114 feet 24-inch cast iron pipe and 48 feet 30-inch cast iron pipe.

That since the construction of the said line there has been 1,330 cubic yards of earth used in filling bridges and trestles and which is not included in the grading quantities above set out.

That to reproduce the said line in its present condition it would be necessary to lay 5,944 ties and 202.72 tons of steel rails, the same requiring 27,210 pounds of splices, 2,482 pounds of bolts, 13,756 pounds of spikes, 1,440 rail braces, and 380 pounds of nut locks.

That to reproduce the ballast on the said branch line it would be necessary to ballast with tailings 2.15 miles, which ballast for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$1,500 per mile.

That to reproduce the line in its present condition it would be necessary to lay 2.15 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$700 per mile.

That the ties, rails, track fastenings and frogs and switches upon the side tracks along the said line, said side tracks being in the Tekoa yards, are included in other portions of the said line. That in order to reproduce the line in its present condition it would be necessary to construct 4.30 miles of barbed wire fence. That the crossings, cattle guards and signs along the line would cost at the present prices to reproduce the same new the sum of \$59.50.

That the interest of the Oregon Railroad & Navigation Company in the telegraph line along the said branch line would cost to reproduce the same new the sum of \$64.90.

#### No. 14.

That that portion of the branch line of the Oregon Railroad & Navigation Company in the state of Washington, extending from Colfax through Pullman to the Idaho state line and being 26.23 miles in length, was constructed by the Columbia & Palouse Railroad Company in 1885, and the same cost the Columbia & Palouse Railroad

Company and the Oregon Railroad & Navigation Company, including betterments and improvements, down to the 30th day of June, 1907, the sum of \$842,907.87.

That in order to reproduce the grading on said branch line it would be necessary to move 443,200 cubic yards of earth a distance of not to exceed 300 feet; 11,975 cubic yards of loose rock a distance of not to exceed 300 feet; 39,530 cubic yards of solid rock a distance of not to exceed 300 feet; 553 cubic yards of cemented gravel a distance of not to exceed 300 feet; 14,312 cubic yards of shell rock a distance of not to exceed 300 feet; 1,193 cubic yards of hard pan a distance of not to exceed 300 feet; and 6,627 cubic yards of boulder gravel a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 421,364 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance.

That it would be necessary to place 88,540 cubic yards of riprap, the overhaul on which would amount to 658,432 cubic yards.

That it would be necessary in order to reproduce said line in its present condition to clear 30.62 acres, which clearing for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$50 per acre; it would be necessary to grub 28.75 stations, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$15 per station.

That along said line there is now 6,325 lineal feet of side track, the grading for which side track is not included in the grading quantities above mentioned, and which grading for the purpose of ascertaining the cost of reproduction is estimated to cost 40 cents per lineal foot.

That since the original construction of said line the grade and banks thereof have been widened, necessitating the placing of 41,051 cubic yards of material, which is not included in the grading quantities above mentioned.

That during the time the said line was under the control of the construction department, and after the grading was completed, portions of said line were destroyed by unusual freshets, necessitating the expenditure of \$34,547.23 to reconstruct and repair the damage done by such freshets.

That to reproduce the bridges, trestles and culverts on said branch line it would be necessary to construct 2,523 lineal feet of pile bridges; 400 lineal feet of frame trestles; 832 lineal feet of pile bridge approach; 688 lineal feet of frame bridge approach; 144 lineal feet of combination pile and frame bridge approach; and 1,023 lineal feet of Howe Truss bridges; 37,507 feet B. M. timber in culverts and wooden boxes; 16.5 cubic yards stone masonry in culverts; 312 lineal feet of 16-inch cast iron pipe; 342 lineal feet of 18-inch cast iron pipe; 270 lineal feet of 20-inch cast iron pipe; 264 lineal feet of 24-inch cast iron pipe; 48 feet of 30-inch cast iron; and 36 feet of 36-inch cast iron pipe; and 30 feet of 6-inch vitrified pipe. That since the

original construction of said line bridges have been filled, necessitating the placing of 14,837 cubic yards of material which is not included in the grading quantities mentioned above.

That in order to reproduce the said line, including side tracks, in the condition in which the same now is, it would be necessary to lay 87,551 ties.

That in order to reproduce the said line, including the side tracks, in the condition in which the same now is, it would be necessary to lay 2,628.06 tons of steel rails, the same requiring 355,380 pounds of splices, 34,394 pounds of bolts, 187,236 pounds of spikes, 26,244 rail braces, and 3,200 pounds of nut locks; and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated at the cost of \$5,440, in place.

That to reproduce the ballast on said branch line it would be necessary to ballast with earth 26.23 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$600 per mile.

That in order to reproduce the said branch line, including the side tracks, it would be necessary to lay 29.79 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$700 per mile.

That it would be necessary in order to reproduce the said line in its present condition to construct 49.5 miles of barbed wire fences. That the crossings, cattle guards and signs along the said branch line would cost at the present time, to reproduce new, the sum of \$1,509.50.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said branch line would cost to reproduce new the sum of \$791.88.

That the station buildings along the said branch line consist of 3,184 square feet floor area, of the O. R. & N. standard one-story frame station buildings; 4,612 square feet floor area station platforms, and the furniture and fixtures for the said station buildings would cost to reproduce the same new the sum of \$447..

That the water stations along the said branch line would cost to reproduce the same new the sum of \$3,434.

That the miscellaneous structures along the said branch line consist of 1,253 square feet floor area of O. R. & N. standard white section houses; 1,085 square feet floor area of O. R. & N. standard Chinese section houses; 576 square feet floor area of tool, coal and miscellaneous sheds; 372 square feet floor area of water closets; 3,360 square feet of O. R. & N. standard stockyards, and 120 water barrels.

#### No. 15.

That that portion of the branch lines of the Oregon Railroad & Navigation Company extending from La Crosse to Connell, and being 53.12 miles in length, was constructed, as before stated, by the Columbia & Palouse Railroad Company, and cost, in connection with

other portions of the line, the sum hereinbefore stated.

That to reproduce the grading quantities on said line in the condition in which the same now are it would be necessary to move 448,437 cubic yards of earth a distance of not to exceed 300 feet; 13,401 cubic yards of loose rock a distance of not to exceed 300 feet; 43,230 cubic yards of solid rock a distance of not to exceed 300 feet; 6,368 cubic yards of cemented gravel a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 511,436 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance. That it would be necessary to place 4,701 cubic yards of riprap. That along said line there is now 7,513 lineal feet of side tracks, the grading for which side tracks is not included in the grading quantities above mentioned, and which grading for the purpose of ascertaining the cost of reproduction is estimated to cost 40 cents per lineal foot. It would be necessary to clear .88 acres and to grub 3.52 stations.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 1,490 lineal feet of pile bridges; 365 lineal feet of frame trestles; 264 lineal feet of combination pile and frame bridges; 208 lineal feet of frame approach, and 151 lineal feet of pile and frame approach; one 150-foot Howe Truss bridge; 58,609 feet B. M. timber in culverts and wooden boxes; 156 feet of 18-inch cast iron pipe; 72 feet of 18-inch corrugated steel pipe; 114 feet of 24-inch corrugated steel pipe; 108 feet of 33-inch corrugated steel pipe; 24 feet of 36-inch corrugated steel pipe; 68 cubic yards stone masonry in culverts. That since the original construction of said line, bridges have been filled, necessitating the placing of 4,567 cubic yards of material not included in the grading quantities mentioned above.

That to reproduce the said line, including the side tracks, in its present condition, it would be necessary to lay 165,976 ties. That to reproduce the said line, including side tracks, in its present condition, it would be necessary to lay 5,064.93 tons of steel rails, the same requiring 450,639 pounds of splices, 65,255 pounds of bolts, 358,890 pounds of spikes, 26,480 rail braces and 6,560 pounds of nut locks; and frogs and switches, which for the purpose of ascertaining the cost of production are estimated at a cost of \$4,008, in place.

That to reproduce the ballast on the said branch line it would be necessary to ballast with earth 53.12 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$600 per mile.

That to reproduce the line in its present condition it would be necessary to lay 56.52 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$700 per mile.

That it would be necessary in order to reproduce the said line in its present condition to construct 14 miles of barbed wire fence. That the crossings, cattle guards and signs along the said line would cost, at present prices, to reproduce new the sum of \$1,140.12.



That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said branch line would cost to reproduce the same new the sum of \$1,603.69.

That the station buildings along the said line consist of 4,070 square feet floor area of O. R. & N. standard one-story frame station buildings; 4,181 square feet floor area of station platforms, and that the furniture and fixtures for the station buildings would cost to reproduce new the sum of \$641.50.

That in order to reproduce new the water stations along said lines it would cost the sum of \$3,399.

That the miscellaneous structures along the said line consist of 710 square feet floor area of O. R. & N. standard white section houses; 649 square feet floor area of O. R. & N. standard Chinese section houses; 330 square feet floor area of tool, coal and miscellaneous sheds; 340 square feet floor area of water closets; 312 square feet floor area of oil, sand and pump houses; 564 square feet of miscellaneous platforms; 9,542 square feet of O. R. & N. standard stock-yards, and 120 water barrels.

#### No. 16.

That that portion of the branch line of the Oregon Railroad & Navigation Company extending from Starbuck to Pomeroy, a distance of 30.13 miles, was constructed by the Oregon Railway & Navigation Company in the year 1885, and cost the Oregon Railway & Navigation Company and the Oregon Railroad & Navigation Company, including betterments and improvements, down to the 30th day of June, 1907, the sum of \$342,190.07.

That in order to reproduce the grading on said branch line it would be necessary to move 215,141 cubic yards of earth a distance of not to exceed 300 feet; 3,805 cubic yards of loose rock a distance of not to exceed 300 feet; 2,360 cubic yards of solid rock a distance of not to exceed 300 feet; 6,938 cubic yards of cemented gravel a distance of not to exceed 300 feet; 11,423 cubic yards of hard pan a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 238,578 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance. It would be necessary to clear 5.72 acres and to grub 4 stations.

It would be necessary to place 5,146 cubic yards of riprap.

That along said line there is now 3,239 lineal feet of side track and the grading for which was not included in the grading quantities above mentioned, and for which the purpose of ascertaining the cost of reproduction is estimated to cost the sum of 40 cents per lineal foot.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 822 lineal feet of pile bridges; 133 lineal feet of frame trestles; 368 lineal feet of combination pile and frame trestles; 101,311 feet B. M. timber in culverts and wooden boxes; 60 feet of 12-inch cast iron pipe; 72 feet of 18-inch cast iron

pipe; 294 feet of 24-inch cast iron pipe; 48 feet of 36-inch cast iron pipe, and 48 feet of 24-inch corrugated steel pipe; and to place 75 cubic yards concrete masonry in pipe end walls.

That subsequent to the construction of said road there has been 8,411 cubic yards of material placed in filling bridges and trestles, the same not being included in the grading quantities above mentioned. That to reproduce the said line, including the side tracks along the same, in its present condition, it would be necessary to lay 94,984 ties.

That to reproduce the said line, including side tracks along the same, in its present condition, it would be necessary to lay 2,839.98 tons of steel rails, the same requiring 395,580 pounds of splices, 37,258 pounds of bolts, 204,634 pounds of spikes, 15,328 rail braces, and 3,620 pounds of nut locks; and frogs and switches, which for the purpose of ascertaining the cost of production are estimated to cost \$1,973, in place.

That to reproduce the ballasting on said line it would be necessary to ballast with earth 30.13 miles, which for the purpose of ascertaining the cost of production is estimated to cost the sum of \$600 per mile.

That to reproduce the line it would be necessary to lay 32.27 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$700 per mile.

That it would be necessary in order to reproduce the said line in its present condition to construct 56 miles of barbed wire fence.

That the crossings, cattle guards and signs along the line would cost at present prices to reproduce new the sum of \$1,005.88.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said portion of said line would cost to reproduce new the sum of \$909.74.

That the station buildings along said line consist of 2,354 square feet floor area of O. R. & N. standard one-story station buildings; 3,434 square feet of station platforms; that the furniture and fixtures contained in said station buildings, for the purpose of ascertaining the cost of reproduction is estimated to cost \$323.

That the shops, round houses and turn tables along the said portion of said line consist of one 2-stall frame engine house, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$1,000, and one 50-foot wooden turn table, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$1,000.

That to construct new the water stations along the said line would cost the sum of \$5,121.

That the miscellaneous structures along the said portion of said line consist of 1,764 square feet floor area of O. R. & N. standard white section houses; 1,647 square feet floor area of O. R. & N. standard Chinese section houses; 696 square feet floor area of tool, coal and miscellaneous sheds; 432 square feet floor area of water closets; 168 square feet floor area of oil, sand and pump houses;

1,188 square feet of miscellaneous platforms; 13,992 square feet of O. R. & N. standard stockyards, and 60 water barrels.

No. 17.

That that portion of the branch line of the Oregon Railroad & Navigation Company in Washington, extending from Walla Walla to Riparia, and being 55.85 miles in length, together with that portion of the branch line extending from Bolles to Dayton, and being 13.26 miles in length were constructed by the Oregon Railway & Navigation Company in 1882 and cost said Oregon Railway & Navigation Company, and the Oregon Railroad & Navigation Company, including betterments and improvements, down to the 30th day of June, 1907, the sum of \$2,235,553.79.

That to reproduce the grading on said portion of said line extending from Walla Walla to Riparia, and being 55.85 miles in length, in its present condition, it would be necessary to move 728,296 cubic yards of earth a distance of not to exceed 300 feet; 55,303 cubic yards of loose rock a distance of not to exceed 300 feet; 130,574 cubic yards of solid rock a distance of not to exceed 300 feet; 2,595 cubic yards of cemented gravel a distance of not to exceed 300 feet, 439 cubic yards of boulder gravel a distance of not to exceed 300 feet. It would be necessary to place 364 cubic yards of riprap. It would be necessary to clear 15 acres. And of the quantities above mentioned it would be necessary to move an equivalent of 615,579 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance.

That there is on said portion of said line from Walla Walla to Riparia 15,482 lineal feet of side tracks, the grading for which is not included in the grading quantities shown above, and that for the purpose of ascertaining the cost of reproduction said grading is estimated to cost 40 cents per lineal foot.

That subsequent to the construction of said portion of said line from Walla Walla to Riparia the banks were widened, and that 143,678 cubic yards of material were used for this purpose, said material not being shown in the grading quantities shown above.

That to reproduce the bridges, trestles and culverts on said line from Walla Walla to Riparia it would be necessary to construct 688 lineal feet of pile bridges; 1,216 lineal feet of frame bridges; 820 lineal feet of high frame trestles; 160 lineal feet of pile bridge approaches and one 72-foot Howe Truss bridge; 64,438 feet B. M. of timber in culverts and wooden boxes; 264 feet of 12-inch cast iron pipe; 108 feet of 16-inch cast iron pipe; 872 feet of 18-inch cast iron pipe; 158 feet of 20-inch cast iron pipe; 1,248 feet of 24-inch cast iron pipe; 108 feet of 30-inch cast iron pipe; 660 feet of 36-inch cast iron pipe; 244 feet of 10-inch vitrified pipe; 1,864 feet of 12-inch vitrified pipe; 170 feet of 14-inch vitrified pipe, and 804 feet of 16-inch vitrified pipe; 84 feet of 18-inch vitrified pipe; 216 feet of 24-inch vitrified pipe, and 216 feet of 18-inch corrugated steel pipe; and to place 4 cubic yards of concrete masonry in pipe end walls.

That subsequent to the construction of said portion of said line from Walla Walla to Riparia there has been used in filling bridges 251,962 cubic yards of material, which is not included in the grading quantities shown above, and which should be included in the cost of reproduction.

That to reproduce the said line from Walla Walla to Riparia, including side tracks along the same, it would be necessary to lay 197,090 ties.

That to reproduce the said line from Walla Walla to Riparia, including the side tracks along the same, it would be necessary to lay 6,434.49 tons of steel rails, the same requiring 816,631 pounds of splices, 80,273 pounds of bolts, 424,158 pounds of spikes, 10,980 light tie plates, 54,006 rail braces, and 10,720 pounds of nut locks; and frogs and switches, which for the purpose of ascertaining the cost of reproduction as estimated to cost the sum of \$10,880, in place.

That to reproduce the ballasting on said line from Walla Walla to Riparia it would be necessary to ballast with earth 54.49 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$600 per mile, and to ballast with gravel 1.59 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$1,100 per mile.

That to reproduce the line from Walla Walla to Riparia it would be necessary to lay 67.78 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$700 per mile. And that it would be necessary to place tie plates, and the labor of placing the same is estimated to cost \$164.

That it would be necessary in order to reproduce said line from Walla Walla to Riparia, in its present condition, to construct 105.5 miles of barbed wire fence.

That the crossings, cattle guards and signs along the said line from Walla Walla to Riparia would cost at present price, to reproduce the same, the sum of \$1,896.50.

That in order to reproduce the said portion of said line from Walla Walla to Riparia, in its present condition, it would be necessary to install one train order signal, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$225.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said portion of said line from Walla Walla to Riparia would cost to reproduce new the sum of \$1,685.99.

That the station buildings along the said portion of said line from Walla Walla to Riparia consist of one uncompleted brick station building at Walla Walla, which had cost to June 30, 1907, the sum of \$16,541.87, and it would be necessary to expend a like amount to reproduce the same; 648 feet floor area of O. R. & N. standard two-story frame station buildings; 6,248 feet floor area of O. R. & N. standard one-story frame station buildings; 53,329 square feet of station platforms; and that the furniture and fixtures contained in said station

buildings, for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$1,109.

That the shops, round houses and turn tables along said line from Walla Walla to Riparia consist of 5,356 square feet floor area of brick shops; 1,216 square feet floor area of frame shops; one brick engine house containing fifteen stalls; one frame engine house containing four stalls; one 54-foot steel turn table, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$2,500, and one 75-foot steel turn table, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$6,535.

That to reconstruct new the water stations along the said portion of said line from Walla Walla to Riparia would cost the sum of \$11,972.

That to reproduce the fuel stations along said portion of said line from Walla Walla to Riparia it would be necessary to construct one 14-pocket coal chute, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$10,000.

That the storage warehouses along the said portion of said line from Walla Walla to Riparia consist of 8,450 square feet floor area. That the miscellaneous structures along the said portion of said line from Walla Walla to Riparia consist of 5,696 square feet floor area of O. R. & N. standard white section houses; 3,132 square feet floor area of O. R. & N. standard Chinese section houses; 5,540 square feet floor area of freight sheds; 5,584 square feet floor area of offices and dwellings; 1,892 square feet floor area of tool, coal and miscellaneous sheds; 1,860 square feet floor area of water closets; 1,260 square feet floor area of oil, sand and pump houses; 30,762 square feet of miscellaneous platforms; 3,600 square feet floor area of ice houses; 15,358 square feet floor area of O. R. & N. standard stockyards; one set of 50-ton track scales; 60 water barrels; and fire protection, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$520.

#### No. 18.

That that portion of the branch line of the Oregon Railroad & Navigation Company owned and operated by it extending from Bolles to Turner, and being 25.06 miles in length, was built, that portion from Bolles to Dayton by the Oregon Railway & Navigation Company in the year 1881 as hereinbefore stated, and that portion from Dayton to Turner, being 11.8 miles in length, being constructed by the Oregon Railroad & Navigation Company in the year 1899; that portion from Dayton to Turner cost the Oregon Railroad & Navigation Company, including betterments and improvements, down to the 30th day of June, 1907, the sum of \$218,646.32.

That in order to reproduce the grading on that portion of the branch from Bolles to Turner it would be necessary to move 331,193 cubic yards of earth a distance of not to exceed 300 feet; 1,465 cubic yards of loose rock a distance of not to exceed 300 feet; 9,084 cubic

yards of solid rock a distance of not to exceed 300 feet; and 2,501 cubic yards of special earth a distance of not to exceed 300 feet; and to place 312 cubic yards riprap and to clear 3 acres, and of the quantities above mentioned it would be necessary to move an equivalent of 242,736 cubic yards a distance of 100 feet in excess of the said 300 feet free haul allowance.

That along the said line there is now 6,304 lineal feet of side track the grading for which is not included in the grading quantities above mentioned, which for the purpose of ascertaining the cost of reproducing the same is estimated to cost the sum of forty cents per lineal foot.

That since the original construction of the said branch, the grade and banks have been widened necessitating the placing of 41,051 cubic yards of material, which is not included in the grading quantities above mentioned.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 888 lineal feet of pile bridges, 168 lineal feet of frame trestles; 676 lineal feet of combination pile and frame bridges; 340,788 feet B. M. of timber in culverts; and wooden boxes; 24 feet of 18-inch cast iron pipe; 24 feet of 24-inch cast iron pipe; 48 feet of 30-inch cast iron pipe, and 112 feet of 18-inch corrugated steel pipe, and 96 feet of 12-inch vitrified pipe. That since the original construction there has been 15,568 cubic yards of material used in filling bridges and trestles, and the same is not included in the grading quantities above set out.

That to reproduce the said line including the side tracks, in the condition in which the same now is, it would be necessary to lay 85,442 ties.

That to reproduce the said line, including the side tracks, in the condition in which the same now is, it would be necessary to lay 2,573.20 tons of steel rails, the same requiring 345,472 lbs. of splices, 33,671 lbs. of bolts, 183,632 lbs. of spikes, 3,460 rail braces, and 3,020 lbs. of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated to cost \$4,560.00 in place.

That to reproduce the ballast on said line it would be necessary to ballast with earth 25.6 miles, which for the purpose of reproduction is estimated to cost the sum of \$600.00 per mile.

That to reproduce the line in its present condition, it would be necessary to lay 29.28 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$700.00 per mile.

That it would be necessary, in order to reproduce the said line in its present condition, to construct 44 miles of barbed wire fence. That the crossings, cattle guards and signs along that portion of the line would cost, at present prices, to reproduce new, the sum of \$1,994.50.

That the interest of the Oregon Railroad & Navigation Company

in the telegraph lines along said line would cost to reproduce new the sum of \$756.56.

That the station buildings along said line consist of 1,536 square feet floor area of O. R. & N. standard two-story station buildings; 1,980 square feet floor area of O. R. & N. standard one-story station buildings; and 4,452 square feet floor area of station platforms; and the furniture and fixtures for the said station buildings along said line, would cost to reproduce new the sum of \$971.50.

That the shops, round houses and turn tables along said line consist of 1,120 square feet floor area of frame shops; one 1-stall frame engine house; one 50-foot steel turn table; which turn table for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$2,500.00; two 60-foot turn tables, which for the purpose of ascertaining the cost of reproduction are estimated to cost \$3,000.00 each.

That in order to reproduce the water stations along said line new, it would cost the sum of \$2,050.00.

That the storage warehouses along the said line consist of 25,180 square feet floor area.

That the miscellaneous structures along said portion of said branch line consist of 656 square feet floor area of O. R. & N. standard White section houses; 268 square feet floor area of O. R. & N. standard Chinese section houses; 1,896 square feet floor area of freight sheds; 1,081 square feet floor area of tool, coal and miscellaneous sheds; 192 square feet floor area of water closets; 2,704 square feet floor area of miscellaneous platforms; 8,652 square feet of O. R. & N. standard stock yards, and 50 water barrels.

#### No. 19.

That during the time that the Oregon Railway & Navigation Company's lines were in the hands of a receiver the operating accounts were not correctly kept so as to show the proper division between betterments and improvements and operating expenses, and during said time betterments and improvements were made on said line amounting to the sum of \$16,882.23 which were charged to operating expenses instead of betterments and improvements, and which sum is properly chargeable to the lines in the state of Washington as part of the original cost.

#### No. 20.

That the average height of the pile bridges on all of the lines, main and branch, hereinbefore referred to is twelve feet.

That the average height of the frame trestles on all of the said lines hereinbefore referred to is 13 feet.

That the average height of the combination pile and frame trestles hereinbefore referred to is 14 feet.

That the average height of the high frame trestles hereinbefore referred to is 70 feet.

That the average height of the pile approaches hereinbefore referred to is 20 feet.

That the average height of the frame approaches hereinbefore referred to is 15 feet.

That the average height of the combination pile and frame approaches hereinbefore referred to is 15 feet.

21.

That the rail lines of the Oregon Railroad & Navigation Company situate in the state of Washington, and hereinbefore referred to, as shown by the books and records of the said railroad company, exclusive of equipment, and exclusive of the terminal grounds in the city of Spokane owned by the Spokane Union Depot Company, cost the sum of \$11,979,688.93.

That included in said amount is the moneys paid for engineering, superintendents and inspection, right of way, lands, depot grounds (excluding the terminals in Spokane) moneys expended for grading, clearing and grubbing, tunnels, bridges and trestles, culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, telegraph lines, station buildings and fixtures, section houses, engine houses, and shops, turn tables, shop machinery and tools, water stations and miscellaneous structures and moneys spent for legal expenses; the sum of \$279,101.57 expended for interest and discount during construction, and said sum also includes the amount shown on their books for general taxes and general expenses during construction. That in order to reproduce the said line in the condition in which they were on the 30th day of June, 1907, (all material and structures being considered as new) exclusive of equipment, exclusive of right of way, terminal grounds, lands and real estate, and exclusive of any allowance for discount and stores on hand, it would cost the sum of \$11,507,255.92. That included in said sum is the cost of engineering, superintendence and inspection estimated at \$363,206.34. That the total amount charged for engineering, superintendence and inspection in the original construction of said lines was the sum of \$348,236.99.

That included in said estimate of the cost of reproduction is an allowance for legal and general expenses amounting to the sum of \$103,811.80.

That the amount paid for legal and general expenses as shown by the books of the said company, for the original construction of said line, was the sum of \$53,811.03.

That during the construction of many of the lines in Washington, the legal and general expenses properly chargeable to such construction were largely borne by the parent company, to-wit, the Oregon Railway & Navigation Company, and such charges would not, therefore, be made against the particular lines.

That included in such estimate of the cost of reproduction is an



allowance for interest during construction amounting to the sum of \$647,857.76.

That the amount charged for interest, including discounts, as shown by the books of the Oregon Railroad & Navigation Company, during the construction of said line, was the sum of \$279,101.57.

That the said lines were constructed in small sections, the moneys advanced by the parent company the Oregon Railway & Navigation Company, and in some instances no charge was made for interest during construction.

That all of said lines were constructed on an average of less than one year from the time construction was commenced thereon.

That two years would be a reasonable time within which to reconstruct the said lines. That an allowance of one year's interest would be a reasonable allowance for the money that would be invested during such construction.

That included in the said cost of reproduction is an allowance of \$64,601.00 for channeling (which covers changes of channels of streams).

That included in the said cost of reproduction is an allowance of \$23,021.00 for shop machinery and tools.

#### No. 22.

That as before stated the real estate, lands, station buildings and terminal grounds used and operated by the Oregon Railroad & Navigation Company in the City of Spokane, are owned by the Spokane Union Depot Company, a corporation, the capital stock of which appears to be owned and controlled by the Oregon Railroad & Navigation Company and the property is leased to the Oregon Railroad & Navigation Company, and operated as a part of its system, and for the purpose of ascertaining the value of the property owned by the Oregon Railroad & Navigation Company, the said property is treated in these findings as being owned by it.

That the Spokane Union Depot Company and the Oregon Railroad & Navigation Company have expended in purchasing lands, grading, improving, track laying, and in betterments and improvements down to the 30th day of June, 1907, on such property, not including the Jenkins property hereinafter referred to, the sum of \$1,030,824.00 of which \$753,751.45 is charged to lands and depot grounds and which last mentioned disbursement and sum is made up of the following items: \$151.45 in cash, 4,996 shares of stock of the Spokane Union Depot Company of the par value of \$499,600.00, first mortgage bonds of the Spokane Union Depot Company in the sum of \$254,000.00, said first mortgage bonds, capital stock and the said sum of \$151.45 in cash, being paid to the Seattle Lake Shore and Eastern Railway Company as the purchase price of the Spokane Union Depot grounds. That in order to reproduce the grading on the said grounds it would be necessary to move 114,585 cubic yards of solid rock excavation;

211,759 cubic yards of common excavation; it would be necessary to place 19,349 ties; it would be necessary to lay 720.73 tons of steel rails necessitating the use of track fastenings as follows: 3,720 pounds of 56-pound fish plates, 95,499 pounds of 60-pound angle bars; 9,477 pounds of bolts; 3,401 rail braces and 40,814 pounds of spikes.

And it would be necessary to place forty-two 60-pound No. 8½ frogs with split switches, complete; three 56-pound No. 8½ frogs with stub switches complete.

It would be necessary to lay 7.73 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of \$700.00 per mile.

That it would be necessary to ballast 7.73 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$1,500.00 per mile.

That in order to reproduce the said terminal grounds in their present condition, it would be necessary to erect a passenger depot, freight house, office building, coal and ice houses, section house, store house, engine house, blacksmith shop, sixty-foot steel turn table, track scales, water stations and fire protection for freight depot.

That the Spokane Union Depot Company and the Oregon Railroad & Navigation Company have expended for construction of their line including grading, the erection and construction of all buildings and improvements on said lands down to the 30th day of June, 1907, as appears from the accounting records of the Oregon Railroad & Navigation Company, the sum of \$277,072.55.

That the said accounting records show that there has been expended for rails on said terminal grounds the sum of \$7,243.41, whereas a greater amount has necessarily been expended for such rails, and said accounting records show that there has been expended for ties \$2,398.00 whereas a much greater amount has been expended, and the Commission finds that a greater sum has been expended than as shown by the accounting records.

That it would cost to reproduce the improvements on the said Spokane terminal grounds, in their present condition, new, in cash, the sum of \$421,527.20.

#### No. 23.

That after a railroad is originally constructed and after the same is turned over to the operating department, improvements are constantly made in the grading and surfacing of the road by section men and by the operating department of the road, the expenditure of which is necessarily charged to the cost of operation, and that for approximately five years after such road is turned over to the operating department the grade undergoes what is known as seasoning and after said term of five years said grade has appreciated in value and is approximately of a value ten per cent. greater than its value would be at the time the same was turned over to the operating department.

That the tunnels remain of approximately the same value and neither appreciate nor depreciate.

That the bridges, trestles and culverts depreciate annually. wooden bridges materially and steel and iron bridges but slightly, and that the present value of the bridges, trestles and culverts along all the lines of the Oregon Railroad & Navigation Company is approximately 84.3 per cent. of the cost of reproduction new.

That the ties, untreated, have an average life of approximately seven years, and that as the same are renewed from time to time the expense is chargeable to operating expenses.

That the Oregon Railroad & Navigation Company have from time to time renewed their ties and the present value of the ties is approximately fifty per cent. of the cost of reproducing the same new.

That the rails, track fastenings, and frogs and switches have depreciated so that the present value of the same is approximately seventy-five percent. of the cost of reproducing the same new.

That the present value of the fencing is sixty per cent. of its original value.

That the present value of the crossings, cattle guards and signs is approximately 50% of its value new.

That the interlocking and signal apparatus, telegraph lines, ballast and track laying and surfacing is an equal value as its original cost.

That the present value of the station buildings and fixtures is approximately 53.3% of its value new.

That the present value of the shops, round houses and turn tables is approximately 63% of its value new.

That the value of the shop machinery and tools and water stations is approximately 75% of its value new.

That the present value of the fuel stations is approximately 49% of its value new.

That the present value of the storage warehouses is approximately 61% of its value new.

That the present value of the miscellaneous structures is approximately 57.4% of its value new.

That the present value of the section equipment is approximately 70% of its value new.

That the present value of the property mentioned in finding No. 19 in its present condition, allowing for appreciation and depreciation, basing the same solely upon the cost of reproduction is the sum of \$10,254,717.76.

#### No. 24.

That the total equipment of the Oregon Railroad & Navigation Company on its entire line in Washington, Oregon and Idaho consists of 158 locomotives, and the locomotive mileage in the state of Washington is 29.7 per cent. of the locomotive mileage of the system; sixty coaches and chair cars and the car mileage of coach and chair cars in the state of Washington is 31.6 percent. of the coach and chair

car mileage of the entire system; 10 dining and buffet cars and the car mileage of such dining and buffet cars in the state of Washington is 26 percent of the dining and buffet car mileage of the entire system; 35 baggage, express and postal cars, and the car mileage on such equipment in the state of Washington is 26.3 per cent of the mileage for such equipment of the entire system; 5 combination coach and baggage cars, the car mileage of such equipment in the state of Washington being 26.3 percent of the car mileage of such equipment for the entire system; 82 coal cars, 227 flat cars, 297 stock cars, 1,812 box cars, 160 furniture cars, 7 refrigerator cars, 45 oil tanks, 20 steel ore cars, 4 combination box and stock cars, and the car mileage in the state of Washington of such equipment is 25 percent of the total car mileage on such equipment for the entire system; 4 business (company service) cars, the car mileage of which in the state of Washington represents 31.6 percent of the car mileage of such equipment for the entire system; 44 cabooses, the car mileage on such cabooses in the state of Washington being 25 percent of the car mileage on such equipment for the entire system.

Road and miscellaneous cars as follows: 248 ballast cars, 1 flanger, 2 rotary snow plows, 8 derrick cars, 2 pile drivers, 8 water cars, 2 ballast spreaders, 2 ballast unloaders, one gravel plow, 2 steam shovels, 374 work cars, 5 coal cars, 15 flat cars, 6 old coaches, one old observation car, one clam shell and one outfit car, the car mileage on such equipment in the state of Washington being 27.6 percent of the car mileage on such equipment for the entire system. That the records of the Oregon Railroad & Navigation Company have been so kept that their equipment account fails to show the amount of money expended for the purchase of the particular equipment above referred to, such equipment account showing the amounts expended for all equipment used, irrespective of whether the same is now in existence or not. The Commission finds by estimating that the equipment above described cost the sum of \$1,274,496.80.

That it would cost to reproduce that portion of the equipment applicable to the state of Washington, based upon the different equipment mileage above set out, new, in cash, the sum of \$1,499,408.00.

That the present average value of the locomotives is 71.7 percent of their value new.

That the present value of the coaches and chair cars is 66% of their value new.

That the present value of the dining and buffet cars is 80% of their value new.

That the present value of the baggage, express and postal cars is 60% of their value new.

That the present value of the combination cars is 20% of their value new.

That the present value of the freight cars is 56% of their value new.

That the present value of the company service equipment is 55.4% of their value new.

That the present fair, cash, market value of the equipment properly chargeable to the state of Washington, based on the equipment mileage before stated, on the 30th day of June, 1907, was and is the sum of \$921,360.00.

No. 25.

That the lines of the Oregon Railroad & Navigation Company in the state of Washington extend through a highly developed and rich agricultural section producing annually large quantities of wheat and grain, which wheat and grain is shipped over the lines of the Oregon Railroad & Navigation Company to Portland, Oregon, either in its natural condition or in flour and mill feed, large portions of such wheat and grain and flour being exported to foreign markets. That along the line of the said railroad there are many warehouses owned by private individuals, situate upon the company's right of way affording good facilities for storage and shipment of such grains and by reason thereof adding great value to the lines of the said railroad. That as before stated the lines of the said road in Washington, are a part of the system of the Oregon Railroad & Navigation Company having its terminals at Portland.

That the said railroad company owns in Portland large terminal grounds and owns docks and ware houses and along its line in Portland there are constructed and in operation large docks and warehouses owned by private individuals, all of which docks and warehouses afford ample facilities for the handling and storing of the wheat and grain, and ample facilities for the transshipment of the same from the rail lines to water lines, which facilities owned by the Oregon Railroad & Navigation Company and owned by private individuals are of great value to the lines of the Oregon Railroad and Navigation Company situate within the state of Washington, in that it permits the Oregon Railroad & Navigation Company to afford ample facilities to the shippers along its line to handle and care for the product of the soil in an advantageous manner.

That a very large proportion of the business transacted by the Oregon Railroad & Navigation Company is interstate business, that is to say, business originating in Washington, passing over the lines in Washington and over the lines in Oregon destined to Portland, and business originating in Portland, passing over the lines of the Oregon Railroad and Navigation Company in Oregon and over the lines of the said Company in Washington.

That the terminals in the city of Spokane, hereinbefore referred to are required largely by the said Oregon Railroad & Navigation Company in the conduct of its interstate business and give an increased value to the entire system of the said company and to each mile of its road wherever situate.

No. 26.

That included in said buildings and structures along the line of the Oregon Railroad & Navigation Company, are certain warehouses

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aggregating 40,769 square feet floor area, estimated to cost new the sum of \$40,769.00, and having a present value of \$24,889.19. These warehouses are used by the Oregon Railroad & Navigation Company in its capacity as a warehouseman and not in its capacity as a common carrier, the same being used for the storage of grain in the same manner as warehouses along its line owned by private individuals.

**No. 28.**

That the Oregon Railroad & Navigation Company have their general shops for repairing and constructing equipment and such general repairs as are necessary in the operation of a railroad in the city of Portland, Oregon.

That such repair shops are necessary for the conduct and operation of a railroad and adds greatly to the value of the rail lines of the said company in the state of Washington.

**No. 28.**

That the right of way, terminal grounds and real estate used by said railroad company for railroad purposes, exclusive of the Spokane terminals owned by the Spokane Union Depot Company, and hereinbefore referred to, cost the Oregon Railroad & Navigation Company, the sum of \$320,530.51. Which sum is, however, included within the cost of construction of the different portions of said lines hereinbefore given.

**No. 29.**

That in order to acquire lands for right-of-way it is necessary for such railroads to pay, in addition to the actual market value of the lands taken, a sum ranging from the actual value to 500 percent addition to such market value, to cover consequential damages to lands not taken and because of the necessities of the railroads to have the particular piece of land sought as necessary for their right-of-way.

**No. 30.**

That it would cost at the present time to reproduce the right of way, lands and terminal grounds of the said railroad, used for railroad purposes, and such as it now owns which in the immediate future will be necessary for it to use for railroad purposes, the sum of \$2,248,169.73, which sum is divided along the line of said railroad as follows:

That part of the main line of the said Oregon Railroad & Navigation Company extending from the southeasterly limits of the city of Spokane to the Southerly boundary of Spokane County, the sum of \$156,430.50.

That portion of the main line extending from the south boundary of Spokane County down to the Snake River and all being in Whitman County, the sum of \$451,695.27.

That portion of the main line in Columbia County extending from Riparia to the East boundary of Walla Walla County, the sum of \$11,448.00.

All of that portion of the main line extending from the boundary between Columbia and Walla Walla counties to the Washington-Oregon state line, the sum of \$61,362.15.

That portion of the branch line of the Oregon Railroad & Navigation Company extending from Fairfield to Waverly in Spokane County, the sum of \$7,944.00.

That portion of the branch lines of the said railroad in Whitman County extending from Tekoa to the state line, from Connell to the Idaho State line and from La Crosse to the Adams County line, the sum of \$120,169.06.

That portion of the branch line extending from Connell to the boundary between Adams and Franklin Counties, the sum of \$30,000.00.

That portion of the branch line extending through Adams County the sum of \$9,019.60.

All that portion of the branch line in Columbia County extending from Grange City to the Columbia-Walla Walla County boundary line and from Starbuck to the Columbia-Garfield county line, and from the Columbia-Walla Walla county line to Turner, the sum of \$109,455.48.

That portion of the branch line in Garfield County extending from the Garfield-Columbia County line to Pomeroy, the sum of \$38,331.36.

All that portion of the branch line in Walla Walla County extending from Bolles Junction Northerly to the Walla Walla-Columbia county line, and from Bolles Junction easterly to the Walla Walla-Columbia county line and extending from Bolles Junction to the northerly limits of Walla Walla, and extending from the Oregon-Washington state line to the southerly limits of Walla Walla, and extending from the westerly limits of Walla Walla to Wallula the sum of \$169,074.46.

All that portion of the branch line extending from Seltice to Winona, the sum of \$136,000.00.

And that portion of the line between the corporate limits of the city of Walla Walla, the sum of \$122,350.60.

That it would cost to reproduce the lands embraced within the right of way and terminals at Spokane, owned by the Spokane Union Depot Company but operated by the Oregon Railroad & Navigation Company, the sum of \$824,883.75, not including the property known as the Jenkins tracts hereinafter referred to.

#### No. 31.

That the Oregon Railroad & Navigation Company own in the city of Spokane in addition to the property hereinbefore described as the Union Depot Grounds, two tracts of land purchased from D. P. Jenkins, one of such tracts of land being bounded by Monroe, Mallon, Gardner, and the Westerly limits of Jefferson street, and constituting 464,625 square feet, and a triangular piece bounded by Mallon, Monroe, center of Mill street and the right-of-way of the St. Paul, Minneapolis and Manitoba railroad company, and containing 340,027 square feet. That said property is of the reasonable market value and it would cost to reproduce the same the sum of \$225,000.00.

That such property is not used by the Oregon Railroad & Navigation Company for railroad purposes.

That it is the intention of the Oregon Railroad & Navigation Company to extend its lines on to said property and lease the same for warehouse purposes, and the Commission finds that the same is not now necessary, nor will the same be necessary in the immediate future, for railroad purposes, and that the same is commercial property and used by the Oregon Railroad & Navigation Company for Commercial purposes.

No. 32.

That the Oregon Railroad & Navigation Company own, in addition to the property hereinbefore referred to, in the city of Walla Walla a tract of land irregular in shape, North of Rose street and east of a line 200 feet east of the center line of the main track of the Oregon Railroad & Navigation Company, lying North of Rose street and east of Ritz Ave., said property being what is known as the McCauley, Miller & McCool tracts, containing approximately 24 acres of land. That said property is not used by the Oregon Railroad & Navigation Company for Railroad purposes.

That the same is intended to be used by it for warehouse purposes said railroad company intending to extend its tracks on said property for the purpose of accommodating such warehouses and affording facilities therefor, and the same is not necessary now or in the immediate future for the use of said company for railroad purposes and the Commission finds the same to be commercial property.

That the said property last above described is of the value of approximately \$116,000.00.

No. 33.

That the Oregon Railroad & Navigation Company traverses the counties of Spokane, Whitman, Adams, Franklin, Garfield, Columbia, and Walla Walla.

That said counties have an area of 9,707 square miles and a population of 222,610 people.

That said company carries annually over its lines in the state of Washington approximately 1,260,000 tons of freight, State and Interstate, aggregating approximately 140,000,000 ton miles of freight carried annually, and over its lines in the state of Washington and carried annually approximately 550,000 passengers, state and interstate, aggregating 40,000,000 passengers carried one mile.

No. 34.

That in order to operate the railroad it is necessary for the road to have constantly on hand stores and supplies to meet exigencies as they arise.

That the Oregon Railroad & Navigation Company has now on hand, stores and supplies, for use upon its lines within the state of



Washington and necessary therefor, of the reasonable market value of \$241,335.00.

That said stores on hand consist of all kinds of material entering into the construction, improvement, betterment and operation of a road and when the same are used to repair, improve or use in operation, they are charged up to operating expenses or improvements and betterments as the facts may justify.

**No. 35.**

That of the ties hereinbefore set out as being necessary to be laid in the main line approximately 50 per cent of such ties are burnettized.

And of the ties hereinbefore mentioned as being necessary to be laid to reproduce the terminals at Spokane all of such ties are burnettized.

**No. 36.**

That the Oregon Railroad & Navigation Company's lines through Eastern Washington traverse a rich agricultural section producing annually large quantities of grain destined for shipment over the lines of the said railroad company in car load lots including approximately 15,000,000 million bushels of wheat annually. Large quantities of the wheat, or its product in flour, is carried over the lines of the Oregon Railroad and Navigation Company to Portland and after arriving at its destination in Portland is shipped to foreign ports. That along the line of the Oregon Railroad & Navigation Company in the state of Washington, there is adequate warehouse facilities for the handling or storage of grain, which ware houses are owned and operated, excepting as to the warehouses approximating in value \$40,769.00, hereinbefore referred to, by private individuals as warehousemen, but which warehouses add greatly to the facilities for freight shipment, and add to the value of the railroad lines.

**No. 37.**

That since the construction of the lines of the Oregon Railroad & Navigation Company through the state of Washington, said company has annually expended large sums of money advertising and exploiting the resources of the country adjacent to its line and has encouraged immigration along its lines so that the country adjacent and tributary to its lines has a comparatively large population and great density of traffic compared with other portions of the state of Washington, which density of traffic and population add value to the said lines.

**No. 38.**

(In view of the fact that the Oregon Railroad & Navigation Company introduced testimony tending to show the value of the terminals and shops owned by it in the state of Oregon, the Commission makes the following finding:)

The Commission finds that of the property described as the Al-

Albina yards and terminals, that a strip of land lying along the Willamette River and having a frontage on said river of 6,353 feet, such portions as are now in use are used by the said Company for commercial purposes, and that such river frontage is not required for railroad purposes, and that such river frontage has a value of \$635,300.00.

The Commission further finds that of that portion in section 21, all except a small portion used by the Oregon Railroad & Navigation Company for its track running to the Portland Flouring mill and its track running to St. Johns, is not now in use nor is the same necessary for the use of the company in the operation of its railroad.

That all that portion in section 28 except the strip of land covered by tracks adjoining the river frontage property hereinbefore mentioned is not now used nor is the same necessary for the use of the said company for railroad purposes.

That the reasonable value to be allowed for that portion of the Albina property in Portland used by the company, and such as would be necessary for its use in the immediate future is the sum of \$650,000.00.

The Commission finds that the reasonable market value of the property owned by the Oregon Railroad & Navigation Company in Portland, known as the Alaska Dock and the Ainsworth dock, is the sum of \$997,874.00.

The Commission finds that the Northern Pacific Terminal Company of Oregon is a corporation and that it owns extensive and valuable terminals in the city of Portland.

That the terminal grounds were procured by such terminal company and the improvements thereon constructed by moneys raised from the sale of bonds of the Northern Pacific Terminal Company, which bonds are still outstanding.

That the Northern Pacific Terminal company operates its property under a contract between the Northern Pacific Railway Company, the Union Pacific Railroad Company and the Oregon Railroad & Navigation Company, its earnings to be applied to the satisfaction and retiring of the bonds of said company, the stock of said Northern Pacific Terminal Company being in the hands of a trustee and such stock to be issued to the Northern Pacific Railway Company, the Union Pacific Railroad Company and the Oregon Railroad & Navigation Company, in proportion to the amounts which the said companies respectively pay into the hands of the trustee for the purpose of retiring the bonds.

That the accounting records of the Oregon Railroad & Navigation Company show that it has expended in the construction of their roads, side tracks, buildings, improvements and betterments, shop machinery and tools and filling of bridges the sum of \$1,997,768.00.

That the depreciation of said structures and improvements would more than offset any additional cost in construction over what the same originally cost.

That the car and locomotive mileage in the state of Washington is approximately 27.5 per cent of the total car and locomotive mileage of the Oregon Railroad & Navigation Company's system: The track mileage in the state of Washington being 40.18% of the total track mileage of said company.

**No. 39.**

That the Oregon Railroad & Navigation Company has expended for its property of every kind and character in this state used for railroad purposes, and such as it will be necessary for it to use in the immediate future, the sum of \$14,244,240.93.

**No. 40.**

That it would cost to reproduce new the line of the Oregon Railroad & Navigation Company, in cash, including all terminals within the state of Washington, all real estate used by the railroad for railroad purposes and such as is reasonably necessary in the immediate future, and all improvements thereon and including all equipment as new, as the same existed on the 30th day of June, 1907, the sum of \$15,891,452.13.

**No. 41.**

That the present depreciated value of the property mentioned in the preceding finding, basing the same solely on the cost of reproducing the same new, is the sum of \$13,933,671.94.

**No. 42.**

That for the sake of brevity the words "interstate freight" and "interstate tonnage" and "state freight" and "state tonnage" are defined and used as follows:

Interstate freight or interstate tonnage is freight or tonnage that originates on the line of the said road within the state of Washington, passing over the lines within the state and over the lines of said road beyond the limits of the state; or, freight originating outside the state of Washington, destined to points within the state and passing over the lines without the state and over the lines within the state of Washington; or, freight originating outside the state of Washington, destined to points without the state passing over the lines of said railroad without the state and over the said lines within the state; or, freight originating within the state of Washington destined to points within the state of Washington but passing over the lines of the said road both within and without the state.

State freight and tonnage as hereinafter used is freight originating on the lines of said railroad within the state of Washington, destined to points within the state of Washington, and passing over the lines of said railroad wholly within the state.

Interstate passengers are passengers traveling on a continuous contract with said railroad company over its lines both within and without the state.

State passengers are passengers traveling over the said line on continuous contracts on the lines wholly within the state of Washington.

No. 43.

That for the fiscal year ending June 30th, 1906, the Oregon Railroad & Navigation Company carried over its lines in the state of Washington 1,258,578 tons constituting 139,189,398 tons of freight carried one mile over its said lines.

That of the said tons carried one mile approximately 17.08% thereof was state freight and 82.92% thereof was interstate freight and tonnage.

That of the said ton miles of freight carried over the lines in the state of Washington, approximately 29.33% thereof was grain, including wheat, oats, flour, barley, feed and flax, and of which ton miles of grain 5.8% thereof as state tonnage and 94.20% thereof was interstate tonnage. That said grain was hauled an average distance of 40.5 miles and that said interstate grain was hauled an average distance of 291.6 miles, 102.3 miles of which was over the lines within the state of Washington and 189.3 miles of which was over the lines of said company without the state of Washington.

That of said ton miles so carried as aforesaid approximately 14.89% thereof was lumber, of which 1.13 was state and 98.87% was interstate. That the average distance hauled of said lumber was state 63.4 miles and interstate 335.2 miles, of which 147.5 miles was within the state of Washington and 187.7 miles was over the lines of said company outside the state of Washington.

That of said ton miles so carried as aforesaid 2.98% thereof consisted of logs and other forest products, of which 28.79% was state freight and 71.21% was interstate freight and of which the state freight was hauled an average distance of 60.9 miles and the interstate portion thereof was hauled 194.6 miles, of which 65.2 miles was within the state of Washington, and 129.4 miles was over the lines of said company outside the state of Washington.

That of said ton miles so carried as aforesaid 4.34% thereof consists of coal, of which 7.21% thereof was state tonnage and 92.79% thereof was interstate tonnage. That said state tonnage was hauled an average distance of 44.6 miles and said interstate tonnage an average distance of 376.2 miles, 131.4 miles of which was over the lines of said road within the state of Washington and 244.8 miles of which was over the lines of said road without the state of Washington.

That of said ton miles so carried as aforesaid 16.57% thereof consisted of ore, all of which was interstate freight, and moved an average distance of 204.4 miles, 124.4 miles of which was over the lines of said road within the state of Washington and 80 miles of which was over the lines of said road without the state of Washington.

That of said ton miles of freight so carried as aforesaid approximately 3.51% thereof consisted of freight in less car loads of which 21.57% was state freight and moved an average distance of 64 miles,

and 78.42% thereof was interstate freight and moved an average distance of 294.8 miles, 117.2 miles of which was over the lines of said company within the state of Washington and 177.6 miles of which was over the lines of said road without the state of Washington.

That the balance of said ton miles approximating 28.38% consisted of miscellaneous car load freight moving under special commodity rates, consisting of more than 100 commodities, of which approximately 8.27% was state freight moving an average distance of 31.1 miles, and 91.73% of which was interstate freight moving an average distance of 340.5 miles, 162.3 miles of which was over the lines of said company within the state of Washington, and 178.2 miles of which was over the lines of said company without the state of Washington.

#### No. 44.

That the Oregon Railroad & Navigation Company is allied with and controlled by the Union Pacific Railroad Company, the said Union Pacific Railroad Company also controlling the Oregon Short Line Railroad Company.

That the capital stock of the said Oregon Railroad & Navigation Company consists of 240,000 shares of the par value of \$100.00 per share, of common stock, aggregating \$24,000,000 and \$11,000,000 par value of preferred stock. That of said common stock \$23,979,300 par value is owned by the Oregon Short Line Railroad Company, \$500.00 thereof being owned by the Oregon Railroad & Navigation Company, leaving \$20,200 thereof in the hands of the public. That said \$23,979,300.00 worth so owned by the Oregon Short Line is hypothecated as collateral security to secure the payment of the bonds of the Oregon Short Line and no part thereof is available for sale on the market.

That of said \$11,000,000.00 par value of preferred stock \$10,869,220.00 par value thereof is owned by the Oregon Short Line Company and \$122,900.00 par value thereof is owned by the Oregon Railroad & Navigation Company, there being in the hands of the public but \$7,880.00 par value thereof of said preferred stock.

That of said preferred stock in the hands of the Oregon Short Line Company and the Oregon Railroad & Navigation Company as aforesaid, \$10,866,000.00 par value is pledged as collateral security to secure the payment of their bonds and is not available for sale on the market.

That the Oregon Short Line Railroad Company is organized with a capital stock of \$27,460,100.00 of which \$27,340,700.00 is owned by the Union Pacific Railroad Company and \$109,400.00 is owned by the Oregon Short Line, leaving in the hands of the public \$10,000.00 worth par value.

That the Columbia & Palouse Railroad Company operated by the Oregon Railroad & Navigation Company has a capital stock of \$1,000,000.00 all of which is owned by the Oregon Railroad & Navigation Company and all of which is hypothecated and pledged.

That the Walla Walla & Columbia River Railroad Company is organized with a capital stock of \$700,000.00 all of which is owned by the Oregon Railroad & Navigation Company and all of which is hypothecated and pledged.

That the Snake River Valley Railroad Company has issued of its capital stock \$750,000.00 all of which is owned by the Oregon Railroad & Navigation Company

That the Columbia & Southern Railroad Company is organized with a capital stock of \$300,000.00 all of which capital stock appears to be owned either by the Union Pacific Railroad Company or the Oregon Short Line Railroad Company.

That the capital stock of the Columbia River and Oregon Central Railroad consists of \$50,000.00 all of which appears to be owned by the Union Pacific Railroad Company or the Oregon Short Line.

Making a total capitalization of \$37,800,000.00.

That by reason of the facts aforesaid the Commission has been unable to ascertain any evidence tending to show that any of the said stock has been sold within a reasonable time or any evidence which will tend to show the market value of said stock.

That the bonded indebtedness of the said Oregon Railroad & Navigation Company consists of \$3,000.00 of first mortgage bonds of the Oregon Railroad & Navigation Company dated June 6th, 1879, and due and payable July 1st, 1909, which bonds the Commission finds are worth par.

\$22,022,800.00 of consolidated mortgage bonds bearing date June 1st, 1896, and due and payable June 1st, 1946, and drawing interest at the rate of 4 per cent. per annum. That said consolidated bonds have sold on the market as follows: (The figures first hereinafter given showing the lowest quotation during the month and the second figures the highest figures during such corresponding month.)

For the year 1903:

January .....	100¾	101¾
February .....	101¼	101¾
March .....	99¼	101½
April .....	99⅞	101
June .....	97¼	98¼
July .....	97	98¼
August .....	97½	98..
September .....	96¾	97¾
October .....	98	100½
November .....	99¼	100¼
December .....	97¼	99

For the year 1904:

January .....	98½	100%
February .....	98½	100%
March .....	99	101%
April .....	101¼	101%

May .....	102	102%
June .....	102½	....
July .....	101¾	102¾
August .....	101¾	102½
September .....	102½	103
October .....	103	103%
November .....	103½	104½
December .....	102	102½

## For the year 1905:

January .....	102¾	103½
February .....	102%	103¾
March .....	102½	103¾
April .....	102¾	103¾
May .....	102½	104
June .....	102	102¾
July .....	102½	103%
August .....	103	103%
September .....	102¾	103%
October .....	102½	103%
November .....	102¾	103¾
December .....	100½	101

## For the year 1906:

January .....	100¾	101½
February .....	100%	101¾
March .....	101	101½
April .....	100½	102
May .....	100½	101%
June .....	99½	100%
July .....	100¾	100½
August .....	100¾	101½
September .....	100¾	101½
October .....	100%	101%
November .....	101	101%
December .....	98½	99¾

## For the year 1907:

January .....	97¾	99½
February .....	98½	99
March .....	98	99
April .....	97%	99
May .....	98	99
June .....	95¾	96
July .....	95¾	97%
August .....	94	96¾
September .....	96¾	95
October .....	92½	95
November .....	87	90
December .....	88	90½

That in addition to the said bonds of the Oregon Railroad & Navigation Company there is a further bonded indebtedness of the Columbia & Palouse Railroad Company amounting to the sum of \$2,329,000.00 all of which bonds are owned by the Oregon Railroad & Navigation Company and are hypothecated by it as collateral security. Also the bonds of the Snake River Valley Railroad Company in the sum of \$1,500,000.00 all of which said bonds are owned by the Oregon Railroad & Navigation Company. Also the bonds of the Columbia & Southern Railroad Company in the sum of \$700,000.00 all of which is owned by the Oregon Railroad & Navigation Company. And the bonds of the Columbia River and Oregon Central Railroad Company amounting to the sum of \$675,000.00, which bonds appear to be owned by either the Union Pacific Railroad Company or the Oregon Short Line Railroad Company, making an apparent bonded indebtedness against the said lines operated by the Oregon Railroad & Navigation Company of the sum of \$27,729,800.00.

That the Columbia & Palouse Railroad Company bonds, the Snake River valley railroad bonds, the Columbia & Southern Railroad Company bonds and the Columbia River and Oregon Central Railroad Company bonds are not available or offered for sale in the open market and the Commission is therefore unable to give the market value thereof.

No. 45.

That the Oregon Railroad & Navigation Company's lines operated in the state of Washington are divided in divisions as hereinafter stated.

That portion of the line extending from the Washington-Oregon Boundary line to Starbuck, Wash., a distance of 84.81 miles, there are 239 curves aggregating a length of 32.32 miles; that there are 52.9 miles of straight track and 4.07 miles of level track; that there are 33 ascending grades, making an aggregate ascent of 2,187 feet and having a total length of 51.50 miles. That there are 32 descending grades, making an aggregate descent of 1,895 feet and having an aggregate length of 29.24 miles.

That on that portion of the line extending from Wallula, Wash., to Grange City Junction, a distance of 65.85 miles, there are 150 curves, aggregating a distance of 27.32 miles; that there are 38.53 miles of straight track and 14.54 miles of level track; that there are 21 ascending grades making an aggregate ascent of 390 feet, having an aggregate length of 34.47 miles; that there are 15 descending grades making an aggregate descent of 193 feet and having an aggregate length of 16.84 miles.

That on that portion of the line extending from Bolles Junction to Turner, Wash., a distance of 25.06 miles, there are 65 curves aggregating a distance of 8.17 miles; that there are 16.89 miles of straight track and 2.13 miles of level track; that there are 23 ascending grades making an aggregate ascent of 562.3 feet and having an aggregate



distance of 20.87 miles; that there is one descending grade making a descent of 9.5 feet and having a distance of 20.6 miles.

That on that portion of the line extending from Starbuck to Pomeroy, a distance of 30 miles, there are 57 curves aggregating a distance of 6.80 miles; that there is 23.20 miles of straight track and 1.33 miles of level track; that there are 73 ascending grades making an aggregate ascent of 1,246 feet and having an aggregate distance of 28.67 miles.

That on that portion of the line extending from the Idaho-Washington state line to Walla Walla a distance of 4.54 miles, there are two curves aggregating a distance of .72 miles; that there are 3.82 miles of straight track and .15 miles of level track; that there are 5 ascending grades making an aggregate ascent of 39.9 feet and having an aggregate length of .23 miles; that there are 5 descending grades, making an aggregate descent of 55 feet and having an aggregate length of 4.16 miles.

That on that portion of the line extending from Starbuck to Spokane, a distance of 156.37 miles, there are 352 curves, aggregating a distance of 59.85 miles; that there are 96.52 miles of straight track and 12.45 miles of level track; that there are 185 ascending grades making an aggregate ascent of 3,622 feet and having an aggregate distance of 95.65 miles; that there are 71 descending grades making an aggregate descent of 2,384.5 feet and having an aggregate distance of 48.27 miles.

That on that portion of the line extending from Colfax to Washington & Idaho line, a distance of 26.20 miles, there are 84 curves aggregating a distance of 11.91 miles; that there are 14.29 miles of straight track and 4.65 miles of level track; that there are 70 ascending grades making an aggregate ascent of 498 feet and having an aggregate distance of 21.25 miles.

That on that portion of the line extending from La Crosse to Connell, a distance of 53.12 miles, there are 69 curves aggregating a distance of 11.51 miles; that there are 41.60 miles of straight track and 12.33 miles of level track; that there are 44 ascending grades making an aggregate ascent of 912 feet and having an aggregate length of 29.27 miles; that there are 17 descending grades making an aggregate descent of 285 feet and having an aggregate length of 11.52 miles.

That on that portion of the line extending from Winona to Seltice, a distance of 47.84 miles, there are 92 curves aggregating a distance of 17.58 miles; that there are 30.26 miles of straight track and 4.42 miles of level track; that there are 40 ascending grades making an aggregate ascent of 1,468 feet and having an aggregate length of 30.41 miles; that there are 19 descending grades making an aggregate descent of 437 feet and having an aggregate length of 13 miles.

That on that portion of the line extending from Tekoa to Washington-Idaho state line a distance of 2.13 miles, there are 4 curves ag-

gregating a distance of .68 miles; that there is 1.45 miles of straight track and .07 miles of level track; that there is one ascending grade making an ascent of 28.3 feet and having a length of 2.06 miles.

That on that portion of the line extending from Fairfield to Waverly, a distance of 4.76 miles, there are 13 curves aggregating a distance of 2.63 miles; that there are 2.13 miles of straight track; that there are 3 ascending grades making an aggregate ascent of 73 feet and having an aggregate length of 1.62 miles; that there are 2 descending grades making an aggregate descent of 233 feet and having an aggregate length of 3.14 miles.

No. 46.

The Commission finds that the fair cash market value of the property of the Oregon Railroad & Navigation Company in the state of Washington, used for the public convenience and such as is owned by it necessary to be used for the public convenience in the immediate future on June 30th, 1907, was the sum of \$19,500,000.00.

The Oregon Railroad & Navigation Company has failed and refused to furnish this commission with a division of the operating expenses by its different operating divisions according to state lines, or to show the proportionate amount of expense incurred on the lines within the state of Washington, and has also failed and refused to furnish the commission with the earnings derived from earnings on its lines within the state of Washington, and proceedings are now contemplated to compel said railroad to keep its accounts in such manner as to furnish the information above mentioned. The commission has been unable to procure the information necessary for it to make proper division of the value of the use of such lines within the state for state and interstate purposes respectively, and the further hearing of this cause is continued for the purpose of making findings showing the relative value of the use state and interstate of such lines and the probable earnings of said road on state business under rates now charged, and the proportionate cost of operating said lines as between state and interstate business respectively.

WITNESS THE RAILROAD COMMISSION OF WASHINGTON this 31st day of December, 1908.

H. A. FAIRCHILD, Chairman.

JOHN C. LAWRENCE,

JESSE S. JONES,

Members of Commission.

Attest: O. O. CALDERHEAD, Secretary.

## FINDINGS OF FACT APPLICABLE TO THE COLUMBIA & PUGET SOUND RAILROAD COMPANY.

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### Finding No. 1.

That the Columbia & Puget Sound Railroad Company is a corporation duly organized and existing under and by virtue of the laws of the State of Washington, having been incorporated under the laws of the Territory (now state) of Washington, November 26, 1880.

That the line now owned by said railroad company was originally constructed by the Seattle and Walla Walla Railroad Company and the said line was purchased by the Columbia & Puget Sound Railroad Company, and the name changed to the Columbia & Puget Sound.

### No. 2.

That said corporation is organized with a capital stock of one million dollars, consisting of 10,000 shares of the par value of \$100.00 each; that said stock is owned as follows: 9,995 shares by the Pacific Coast Company, and one share each by J. C. Ford, G. W. Mertens, C. H. Ferrell, J. D. Smith and W. E. Nichols.

### No. 3.

That said road consists of a line extending from Seattle to Franklin, a distance of 33.62 miles, which is main line, and the following branches, that is to say; from Renton to Coal Creek, a distance of 7.33 miles; from Maple Valley to Taylor a distance of 9.13 miles; from Black Diamond to Bruce Branch, a distance of 2.02 miles; from the Main line to Lake Washington, a distance of .75 miles, from the main line to Kummer, a distance of 1.67 miles; from Bruce Branch to Lawson, a distance of .80 miles; from Weyerhauser Spur to Camp No. 4, a distance of 2.15 miles; making a total mileage main and branch of 57.97 miles, all of which is within the state of Washington.

### No. 4.

That said company has no mortgage, bonded or funded indebtedness.

### No. 5.

That said company, the capital stock thereof being owned by the Pacific Coast Company, does not formally declare dividends, but,

after paying the operating expenses, the surplus is converted into the treasury of the Pacific Coast Company in lieu of dividends.

No. 6.

That according to the books and records of said company said line cost, exclusive of equipment down to the 30th day of June, 1907, the sum of \$1,193,088.59, and there was expended for permanent improvements and betterments, during the fiscal year ending June 30th, 1908, and charged to capital account, the sum of \$115,877.07, making a total expenditure as shown by said records, down to the 30th day of June, 1908, of \$1,308,965.66.

That said books and records of said corporation show said company to have expended down to the 30th day of June, 1907, for equipment the sum of \$503,780.43, and that they expended during the fiscal year ending June 30th, 1908, \$76,178.87.

That said records show the total amount expended for equipment, whether the same is now in service or has been worn out and destroyed, down to the 30th day of June, 1908, in the sum of \$1,990,999.21.

No. 7.

That in order to reproduce the lines of the Columbia & Puget Sound Railroad Company, in their present condition, it would be necessary to move 1,156,744 cubic yards of earth a distance of not to exceed 300 feet; 121,781 cubic yards of cement gravel a distance of not to exceed 300 feet; 13,868 cubic yards of loose rock a distance of not to exceed 300 feet; 52,091 cubic yards of solid rock a distance of not to exceed 300 feet; and of the above mentioned quantities it would be necessary to move an equivalent of 1,302,484 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance.

That it would be necessary to clear 462 acres of heavy clearing which for the purpose of ascertaining the cost of reproduction is estimated to cost \$100.00 per acre.

That it would be necessary to construct log cribs containing 4,000 lineal feet of logs, and to lay 3,000 cubic yards of dry retaining wall.

That the bridges, trestles and culverts along said line consist of 910 lineal feet of Howe truss bridges ranging from 140 to 160 feet in length; 113 lineal feet of Pony truss bridges; 9,539 lineal feet of pile and frame trestles; one 30-foot and one 40-foot plate girder; one 6x6x70-foot rail top culvert; two 5x90-foot concrete arch culverts; one 2x90-foot concrete arch culvert; 144 lineal feet of 24-inch vitrified pipe; 36,282 lineal feet of logs in culverts; 160 lineal feet of stone culverts.

That it would be necessary to lay 209,134 ties and 6,627.28 tons of steel rails, requiring as track fastenings 954,324 pounds of angle bars, 86,949 pounds of bolts, 481,984 pounds of spikes, 3,128 rail braces and to place eighty switches complete.

That it would be necessary to ballast with earth 33.62 miles; it will be necessary to lay and surface 75.30 miles of track of said main line and sidings, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700.00 per mile.

That in order to reproduce the fencing on said line new would cost the sum of \$10,500.00.

That the crossings, cattle guards and signs along said line consist of 13,824 feet board measure, of crossing planks, 28 cattle guards, and 37 miscellaneous signs.

That the station buildings and fixtures along said line consist of 1,400 square feet of one-story brick station buildings; 1,680 square feet of two-story frame station buildings, 3,116 square feet of one-story frame station buildings, and the fixtures for same, together with the furniture and fixtures in the general office at Seattle, are estimated to cost \$2,200.00.

That the shops, round houses and turn tables consist of one combination round house and shop, which for the purpose of ascertaining the cost of reproduction, is estimated to cost \$6,734.00 and one power house, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$3,329.00.

That the shop machinery and tools along the said line for the purpose of ascertaining the cost of reproduction are estimated to cost \$36,049.00.

That along said line there are three water stations which for the purpose of ascertaining the cost of reproduction are estimated to cost \$6,000.00.

That the fuel stations along said line consist of inclines, coal bunkers and coal bunker machinery, which for the purpose of ascertaining the cost of reproduction are estimated to cost \$117,372.00.

That the miscellaneous structures along said line consist of 320 square feet of sand houses, 1,344 square feet of one-story section houses, 3,600 square feet of two-story section houses, 864 square feet of tool houses, 2,816 square feet of freight sheds and 768 square feet of bunk houses.

That a fair allowance for engineering during construction would be 3½% of the amounts expended for grading, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballasting, track laying and surfacing, fencing, crossings, cattle guards and signs, station buildings and fixtures, shops, round houses and turn tables, shop machinery and tools, water stations, fuel stations and miscellaneous structures.

That a fair allowance for legal and general expenses during construction would be 1% of the items enumerated above.

That a fair allowance for interest would be 2½% of the items enumerated above, together with the allowance for engineering and legal and general expenses.

## No. 8.

That to reproduce the road as it existed on the 30th day of June, 1907, exclusive of real estate and equipment would require the expenditure of \$1,387,592.00.

That included in said sum are allowances for engineering of \$45,280.00, for legal and general expenses of \$12,937.00, for interest, \$33,844.00 and for shop machinery and tools \$36,049.00.

## No. 9.

That the accounting records of said company show said company to have expended for equipment the sum of \$503,780.43, the commission finds, however, that said sum includes all money expended for equipment whether the same is now in existence or not.

That the equipment now owned by said railroad company consists of 9 locomotives, 3 first class passenger cars, 1 second class passenger car, 1 baggage car, 19 box cars, 105 flat cars, 151 coal cars, 1 refrigerator car, 45 miscellaneous cars and 9 company service cars.

That said equipment could be reproduced new for the sum of \$275,000.00.

## No. 10.

That in order to reproduce the right of way and terminal grounds owned and used by said road for railroad purposes it would be necessary to expend in purchasing the same the sum of \$3,267,888.78.

## No. 11.

That in addition to the property used by said company for railroad purposes said company owns the following described property which is not necessary for its use as operating property nor is the same used by it for such purposes, but is used for commercial purposes, that is to say;

The westerly 400 feet of tide land block 199, save and except the following portions thereof, that is to say;

The space covered by the track, together with the space between the track and the warehouse, together with the space on the outer side on the side opposite of the warehouse covered by the platform erected and constructed, adjacent to such track; also

All that portion of 109 situate in the northeast corner of said block and covered by a brick warehouse now in the possession of C. H. Lilly and Co. being a space 200 feet on Railroad Avenue and 100 feet in depth; also

The outer or westerly 300 feet of lots 1, 2, 3 and 4 and the southerly 25.34 feet of lot 5 in block 367, except the space covered by the tracks upon said property, and the space covered by the platform immediately adjacent to the tracks on one side and the space intervening between such track and the warehouse building on the other side thereof.

**No. 12.**

That for the fiscal year ending June 30th, 1906, the said Columbia & Puget Sound Railroad Company earned from conducting its business as a common carrier the sum of \$529,554.47 and the operating expenses connected therewith for said year was the sum of \$211,868.08.

That for the fiscal year ending June 30th, 1907, the earning of the said company from conducting its business as a common carrier was the sum of \$625,507.51, and the operating expenses connected therewith was the sum of \$299,782.00.

That for the year ending June 30th, 1908, the earnings of the said company for conducting its business as a common carrier amounted to the sum of \$587,283.33, and the operating expenses connected therewith amounted to the sum of \$331,303.56.

**No. 13.**

That for the year ending June 30th, 1907, said railroad carried over its lines in this state 1,077,142 tons of revenue earning freight, constituting 28,781,935 ton miles.

That of said tons so carried as aforesaid the products of agriculture represented .40%, the products of animals represented .02%, the products of the mines represented 76.92%, of which 72.34% was bituminous coal, forest products represented 18.64%, manufactured products represented 3.03%, merchandise represented .99%.

That during said year said railroad carried 88,399 passengers constituting 1,786,030 passengers carried one mile, such passengers being carried an average distance of 20.20 miles, and such passengers paying an average rate of 2.961 cents per mile.

That for the fiscal year ending June 30th, 1908, said road carried of revenue earning freight 901,972 tons being 23,225,287 ton miles; that the freight rates per ton per mile was 2.170 cents, that of said tonnage the products of agriculture constituted .54%, products of animals .02%, products of the mines 75.18%, of which bituminous coal constituted 70.15%, products of forests constitute 18.40%, manufactured products constitute 4.49% and merchandise miscellaneous 1.37%.

That during said fiscal year the said road carried of passengers earning revenue 92,961, constituting 1,932,073 passengers carried one mile; that said passengers were carried an average distance of 20.78 miles and the rates from such passengers were 2.897 cents per mile.

**No. 14.**

That the reasonable, fair, market value of said railroad property, including the railway terminals, tracks, rights of way, all structures and improvements thereon, and including all equipment and facilities but not including the property hereinbefore described as commercial property, is the sum of \$5,176,973.28.

For the purpose of ascertaining the division of value of said property between state and interstate use (if any of said property is used for interstate purposes) this cause is continued and the findings concerning such division will be made at a later date.

WITNESS the RAILROAD COMMISSION OF WASHINGTON this 31st day of December, A. D., 1908.

H. A. FAIRCHILD, Chairman.

JOHN C. LAWRENCE,

JESSE S. JONES,

Members of Commission.

Attest: O. O. CALDERHEAD, Secretary.



## **FINDINGS OF FACT APPLICABLE TO THE BELLINGHAM BAY & BRITISH COLUMBIA RAILROAD COMPANY.**

### **Finding No. 1.**

The Bellingham Bay & British Columbia Railroad Company is a corporation organized and existing under and by virtue of the laws of the state of California, and has complied with the laws of the state of Washington concerning foreign corporations, and as such corporation is the owner of a line of railroad within the state of Washington and is engaged as a common carrier in the carriage of freight and passengers for hire over such lines within the state.

### **No. 2.**

That the said Bellingham Bay & British Columbia Railroad Company owns and operates a line of railroad extending from Bellingham, Washington, to Glacier, a distance of 44.16 miles, and a branch line from Hampton to Lynden, a distance of 5.31 miles, and has spurs and sidings amounting to 17.71 miles.

### **No. 3.**

That the capital stock of such corporation consists of 10,000 shares of common stock of the par value of \$100.00 per share, making a total capital stock issue of \$1,000,000.00.

### **No. 4.**

That on or about the month of December, 1901, the Bellingham Bay & British Columbia Railroad Company authorized an issue of \$1,000,000.00 worth of mortgage bonds, of which amount \$659,000.00 worth, par value, have been issued, and said bonds realized in cash, the sum of \$593,100.00, said bonds bearing interest at the rate of 5 per cent. per annum.

### **No. 5.**

That the accounting records of said railroad company were destroyed in the San Francisco fire and there has been no means of ascertaining from the accounting records the sums paid out for the different construction items. But, the Commission finds that prior to the destruction of such accounting records the said railroad company had reported to the Interstate Commerce Commission the gross amount expended by it in the construction of its lines, including equipment, and that from such report and the report of betterments and improvements

subsequently reported, that said road has expended down to June 30th, 1907, for its lines and equipment in the state of Washington, the sum of \$1,739,168.63.

No. 6.

That in order to reproduce the lines of the Bellingham Bay & British Columbia Railroad Company, in their present condition, it would be necessary to move 242,820 cubic yards of earth unclassified, a distance of not to exceed 300 feet; 251,822 cubic yards of common earth a distance of not to exceed 300 feet; 21,076 cubic yards of loose rock a distance of not to exceed 300 feet; 20,307 cubic yards of solid rock a distance of not to exceed 300 feet; 131,717 cubic yards of cemented gravel a distance of not to exceed 300 feet; and of the material above mentioned it would be necessary to move an equivalent of 275,388 cubic yards a distance of 100 feet in excess of said 300 foot free haul allowance.

That it would be necessary to clear 28.34 acres of light clearing, which clearing for the purpose of ascertaining the cost of reproduction is estimated to cost \$70.00 per acre.

That it would be necessary to clear 533.77 acres of heavy clearing, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$100.00 per acre.

That it would be necessary to grub 1,128.50 stations, which grubbing, for the purpose of ascertaining the cost of reproduction, is estimated to cost \$30.00 per station.

That it would be necessary to cut 293 dangerous trees growing outside of the limits of the right of way of the said railroad company, which tree cutting for the purpose of ascertaining the cost of reproduction is estimated to cost \$2.00 per tree.

That it would be necessary to lay 1,296 cubic yards of riprap.

That it would be necessary to construct 27,175 lineal feet of cribbing.

That to reconstruct the bridges, trestles and culverts along said line it could be necessary to construct one through steel truss bridge 80 feet in length; one through Howe truss bridge 320 feet in length; one deck Howe truss bridge 120 feet in length; one Pony Howe truss bridge 54 feet in length; the said bridges necessitating pile approaches amounting to 481 lineal feet.

That it would be necessary to construct 2,316 lineal feet of pile bridges and 553 lineal feet of frame trestles, and 787 lineal feet of high frame trestles.

That it would be necessary to use 57,580 lineal feet of logs in culverts and 11,266 feet B. M. of lumber in wooden boxes.

That in order to reproduce the said line in its present condition it would be necessary to lay 183,913 ties.

That it would be necessary to lay 25.77 miles of 50 pound steel rails amounting 2,024.75 tons; 2.01 miles of 55 pound steel rails amounting to 173.72 tons; 18.16 miles of 56 pound steel rails amounting

to 1,598.08 tons; 19.37 miles of 60 pound steel rails amounting to 1,846.40 tons, making a total tonnage of steel rails of 5,642.95 tons.

That the laying of said rails would necessitate using 391,860 pounds of spikes; 45,978 angle bars; 80,005 pounds of bolts and 1,936 rail braces.

That it would be necessary to place 126 frogs and switches complete.

That it would be necessary to ballast 58.10 miles of line which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700.00 per mile.

That it would be necessary to lay and surface 65.31 miles of main line and sidings which for the purpose of ascertaining the cost of reproduction is estimated to cost \$700.00 per mile.

That it would be necessary to place said 126 switches and frogs, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$20.00 each.

That it would be necessary to construct 68 miles of board fencing.

That it would be necessary to construct 10 miles of barbed wire fencing.

That it would be necessary to lay 160 crossing planks.

That it would be necessary to construct and place two yard limit signs.

That it would be necessary to construct and place 40 cattle guards, 11 miscellaneous signs, and 51 whistle posts.

That it would be necessary to construct and erect 1743 telegraph poles.

That the station buildings consist of 3280 square feet of floor area of three-story buildings, the same being the station buildings erected at Bellingham; 15,322 square feet floor area of one-story B. B. & B. C. standard one-story station buildings; 18,764 square feet of platforms.

That the station fixtures and equipment along the line are estimated to cost new \$5,422.83.

That the shops, round houses and turntables along the said line consist of 12,282 square feet floor area of frame shops; four-stall galvanized iron engine house; two-stall wood engine house; 144 square feet of engine house wing; two wood turn tables, which turn tables, for the purpose of ascertaining the cost of reproduction are estimated to cost \$1,000.00 each.

That to reproduce new the shop machinery and tools used by said railroad in connection with its lines would cost the sum of \$23,000.00.

That the water stations consist of one round tank 35,000 gallons, and one box tank 8 x 16 x 24.

That in order to reconstruct the fuel stations along the said line, it would be necessary to construct 256 square feet of coal platforms; one crane and windlass, which for the purpose of ascertaining the cost of reproduction is estimated to cost \$100.00 new.

That the storage warehouses along the said line consist of 20,504 square feet floor area.

That the miscellaneous structures along the said line consist of 3,840 square feet of umbrella sheds; 1,152 square feet floor area of section houses; one two-story dining room containing 2,368 square feet floor area; 1,696 square feet of bunk houses; 1,800 square feet floor area of detention buildings, 1,200 square feet of supply sheds; 4,428 square feet of store houses; 492 square feet floor area of sand houses; 384 square feet of oil houses; 1,304 square feet of tool houses; 384 square feet of dwellings; 160 square feet of flag stations; 194 square feet of standard water closets; 64 square feet of scale houses; which for the purpose of ascertaining the cost of reproduction is estimated to cost new \$1,200.00.

That the section equipment used along the said line is estimated to cost new \$2,200.00.

That a reasonable allowance for engineering would be  $3\frac{1}{2}$  per cent. of the cost of reproducing new the items hereinabove mentioned.

That a reasonable allowance for legal and general expenses would be 1 per cent. of the items hereinabove mentioned, not including the engineering expenses.

That a reasonable allowance for interest during construction would be 3 per cent. of the items hereinbefore mentioned, together with 3 per cent. of the cost of reproducing the right of way and terminals hereinafter set out.

That the said railroad company has on hand stores necessary to be used in the operation of said line of the reasonable worth and value of \$6,378.00, which sum the Commission finds is a reasonable sum to be allowed for stores on hand.

#### No. 7.

That it would cost to reproduce all the items hereinbefore enumerated, new, including interest during construction, legal and general expenses and stores on hand, the sum of \$1,095,152.26, and that the present depreciated value of the items hereinbefore mentioned, based solely on the cost of reproduction, is the sum of \$907,952.64.

#### No. 8.

That the equipment owned and used by the said railroad company consists of the following: one 60,000 pound engine constructed in 1889; two 143,800 pound engines constructed in 1891; one 207,300 pound engine constructed in 1881; one 205,950 pound engine constructed in 1893; one 143,900 pound engine constructed in 1902; one 212,200 pound engine constructed in 1901, and one 115,900 pound engine constructed in 1889. That it would cost to reproduce the said engines new the sum of \$82,000.00. That the same have been in use approximately since the dates hereinbefore given, and their present depreciated value is the sum of \$42,898.00.

That the passenger equipment along the said line consists of the following: One mail and baggage car constructed and placed in service in the year 1890; one combination car constructed and placed in service in the year 1891; one combination car constructed and placed

in service in 1902; two passenger cars constructed and placed in service in 1891; and two passenger cars constructed and placed in service in 1902. That it would cost to reproduce such passenger equipment new the sum of \$37,000.00. That its present depreciated value is the sum of \$22,780.00.

That the freight equipment in use by the said company consists of the following: 24 logging trucks constructed and placed in service in the year 1904 of a capacity of 20,000 pounds each; 5 flat cars constructed and placed in service in the year 1903, of a capacity of 30,000 pounds each; 34 flat cars constructed and placed in service between the years 1898 and 1903, of a capacity of 40,000 pounds each; 9 flat cars constructed and placed in service in the year 1900, of a capacity of 60,000 pounds each; 11 flat cars constructed and placed in service in the year 1901 with a capacity of 60,000 pounds each; 30 flat cars constructed and placed in service in the year 1902, with a capacity of 60,000 pounds each; 11 flat cars constructed and placed in service in the year 1903, with a capacity of 60,000 pounds each; 6 box cars constructed and placed in service in the year 1889, with a capacity of 30,000 pounds each; 49 box cars constructed and placed in service in the years 1903 and 1904 of a capacity of 60,000 pounds each; one caboose constructed and placed in service in the year 1903, and one caboose constructed and placed in service in the year 1905. That it would cost to reproduce the freight equipment new, above described, the sum of \$142,600.00, and that the present depreciated value of such freight equipment is the sum of \$120,166.47.

That the work equipment owned and operated by the said company consists of: one steam shovel constructed and placed in service in the year 1901; one gravel plow constructed and placed in service in the year 1904; one pile driver constructed and placed in service in the year 1904; 8 hand cars placed in service between 1889 and 1906; 8 push cars placed in service between 1889 and 1906; 8 speeders placed in service between 1890 and 1905, and one motor car placed in service in 1906. That it would cost to reproduce such work equipment new the sum of \$4,900.00, and its present depreciated value is the sum of \$4,162.00.

#### No. 9.

That it would cost to reproduce all of the equipment hereinbefore mentioned, new, the sum of \$266,500.00; and that its fair depreciated value, based on the cost of reproducing the same new, is the sum of \$190,006.47.

#### No. 10.

That in order to reproduce the right of way and terminal grounds of the said railroad company, used and occupied by it, it would be necessary to pay in addition to the market value of said land, a sum ranging from such market value to 400 per cent. in addition thereto to cover consequential damages to land not taken and because of the necessity of the railroad to have the particular land sought.

## No. 11.

That the said railroad constructed through a portion of the city of Bellingham on what is known as Railroad Avenue; that the said railroad was constructed on a portion of said street prior to the platting of the said land; that when the said land was platted and the said Railroad Avenue was dedicated it was dedicated to the use of the public subject to the right to operate the said railroad over, across and along said Railroad Avenue. That at the time the said Railroad Avenue was, between Myrtle and Willow streets, of a width of eight feet; that the said railroad company for the purpose of preventing a congestion of traffic along said thoroughfare (Railroad Avenue) dedicated for the public use 25 feet on either side of the said Avenue making the said Avenue 130 feet in width. That along said avenue between Myrtle and Willow streets the said railroad has two tracks constructed in the center of said street the entire distance, and in some places four tracks. That 60 feet is approximately in actual use by the said railroad company in the discharge of its duties as a common carrier. That subject to the use of the said railroad company as above stated said entire street is dedicated to the public use and is being actually used by the public as a thoroughfare, and is one of the principal commercial streets in the city of Bellingham.

That it would cost to reproduce the said 60 feet so used by said railroad company, basing the same on the cost of adjacent property, with the consequential damage resulting therefrom, the sum of \$430,976.00, which sum is included in the cost of reproducing the terminal grounds and right of way hereinafter given.

## No. 12.

That it would cost to reproduce the right of way and terminals used by it, including the said \$430,976.00 placed on the property on Railroad Avenue, at the present time, the sum of \$931,189.14.

## No. 13.

That it would cost to reproduce new in its present condition all the property owned and operated by the said railroad company the sum of \$2,292,841.40, and that its present depreciated physical value, based solely on the cost of reproducing the same new, would be the sum of \$2,029,148.25.

## No. 14.

That the Bellingham Bay & British Columbia Railroad Company as originally constructed, extended through a country heavily timbered, and the country adjacent and tributary to its line is not in a highly developed condition so far as agriculture is concerned, save and except a small portion tributary to its line in the Nooksack Valley. That the products of agriculture originating on its line carried by said road amounted to 4,296 tons, which was approximately 1.7 per cent. of its tonnage.

That the products of animals originating on its line amount to 1,398 tons, being .53 per cent. of its tonnage.

That the products of the mines carried by it, originating on its line, consist of 609 tons, being approximately 25 per cent. of its total tonnage.

And that the manufactured products originating on its line amount to 3,617 tons, being approximately 1.4 per cent. of its entire tonnage.

And that the balance of its tonnage amounting to 239,725 tons, being approximately 89.35 % of its tonnage, consists of the products of the forests, of which 85,080 tons was manufactured forest product and 154,645 tons consisted of logs and other unmanufactured forest products.

No. 15.

That logs and other unmanufactured forest products of necessity must be carried and transported at a comparatively low rate in order to have such tonnage moved.

No. 16.

That for the year 1905 the gross earnings from the operation of said road amounted to the sum of \$212,384.73, and that the operating expenses connected therewith amounted to the sum of \$146,405.97 and that from miscellaneous income the said road received the sum of \$5,544.19, leaving a total income of \$71,522.95 over and above the cost of operation.

That from such sum the said railroad company paid interest on its funded debt of \$659,000.00 the sum of \$32,950.00 and interest on interest-bearing current liabilities amounting to the sum of \$13,892.60; for taxes, the sum of \$15,113.29, and other deductions from its total income amounting to \$1,730.45, leaving a net income from operation to be applied on dividends the sum of \$7,836.55.

That for the year 1906 the gross earnings from the operation of said road amounted to the sum of \$221,216.21, and the operating expenses connected therewith amounted to the sum of \$157,890.78, and from miscellaneous income the said company received the sum of \$3,987.86, making a total income over and above the cost of operation of \$67,313.29, out of which income the said road paid interest on its funded debt of \$659,000.00, amounting to the sum of \$32,950.00, and interest on interest bearing current liabilities amounting to \$13,410.79; taxes, \$11,019.93, and other deductions amounting to \$65.56, leaving a net income for said year amounting to \$9,867.01 with which to pay dividends on its capital stock.

That for the year ending June 30th, 1907, the said road received gross earnings from operation the sum of \$260,987.82; that its operating expenses connected therewith were the sum of \$163,101.07, and that it received other miscellaneous income amounting to the sum of \$2,118.15, making a total income over and above the payment of the operating expenses of \$100,004.90, out of which it paid interest on its funded debt above mentioned, amounting to \$32,950.00; interest on in-

terest-bearing current liabilities, \$11,605.83; taxes amounting to the sum of \$8,270.99, and for permanent improvements the sum of \$461.16, leaving a net income for said fiscal year amounting to the sum of \$46,716.92 with which to pay dividends on its capital stock.

**No. 17.**

The commission finds that by charging reasonable rates to the shipper said railroad company will not be able to earn a reasonable and adequate return on the amount necessary to reproduce its said lines in the state of Washington.

**No. 18.**

That on that portion of the main line extending from Bellingham to Glacier and consisting of 44.16 miles, 30.50 miles thereof consists of straight line, 13.66 miles thereof consists of curved line, and that there are 68 curves. That there are 6.81 miles of level line; that in such distance there are 19 ascending grades and that the sum of such ascents is 1,380.1 feet; that the aggregate length of the ascending grades is 20.71 miles; that there are 19 descending grades, the sum of said descents aggregating 471.8 feet, and the length of the said descending grades aggregate 16.64 miles.

That on the branch line extending from Hampton to Lynden, consisting of 5.31 miles, 4.60 miles of said distance is straight line; there are four curves of an aggregate length of .71 miles; that the level track consists of .68 miles; that there are two ascending grades, the sum of such ascents amounting to 64.3 feet and the aggregate length of the ascending grade is 2.35 miles; that there are two descending grades, the sum of such descents aggregating 41.3 feet, and the aggregate length of the descending grades is 2.28 miles.

**No. 19.**

The Commission further finds that the country tributary to said railroad is developing and that the earnings of said road will increase in the future, and that it has a market value in excess of a sum which, if capitalized, would earn a sum equal to its present earnings.

**No. 20.**

That the said railroad is confined wholly to the limits of Whatcom county and said county has a present population of 68,000 people.

**No. 21.**

The Commission finds that of the capital stock hereinbefore mentioned of \$1,000,000.00, that the only sales of said stock that have occurred in the open market occurred in the month of October, 1906, and that said stock sold at the rate of \$42.50 per share, said shares being of the par value of \$100.00.

The Commission has been unable to find any evidence which would tend to show that the bond issue of \$659,000.00 has been sold or offered for sale and the Commission has, therefore, considered the same as being worth par.



**No. 22.**

The Commission finds that said railroad has been under construction and in operation for approximately 20 years, but during such time it has paid no dividends to its stockholders. That its earnings have been very small and such earnings as it has made has been added to betterments and improvements and extensions of the line.

**No. 23.**

The Commission finds that the fair cash market value of the said railroad, including therein the strip 60 feet wide on Railroad Avenue between Myrtle and Willow Streets, in the city of Bellingham, is the sum of \$1,100,000.00.

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For the purposes of ascertaining the division of value of said property between state and interstate use (if any of said property is used for interstate purposes) this cause is continued and the findings concerning such division will be made at a later date.

WITNESS THE RAILROAD COMMISSION OF WASHINGTON,  
this 31st day of December, A. D. 1908.

H. A. FAIRCHILD, Chairman.

JOHN C. LAWRENCE,

JESSE S. JONES,

Members of Commission.

Attest: O. O. Calderhead, Secretary.



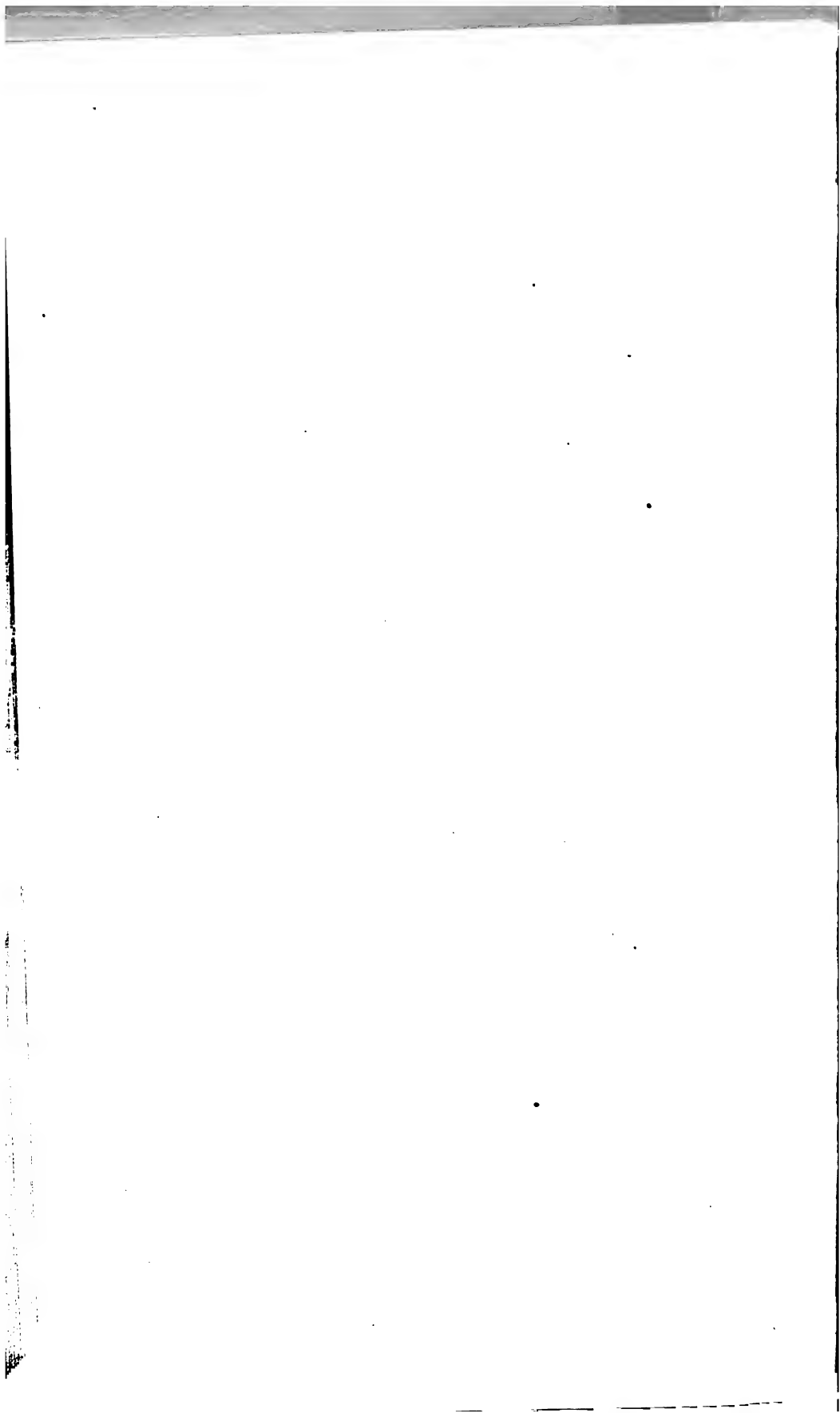
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# STATISTICAL INFORMATION

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## BELLINGHAM BAY & BRITISH COLUMBIA RAILROAD CO.

### HISTORY.

The Bellingham Bay & British Columbia Railroad Company was organized May 3, 1883, under the laws of the State of California Civil Code, division 1, part 4. It is not a consolidated company and has never been reorganized.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
H. H. Taylor.....	San Francisco, Calif.....	Third Tuesday in January or until successors are elected.
W. J. Dingee.....	San Francisco, Calif.....	
G. W. McEnery.....	San Francisco, Calif.....	
F. G. Drum.....	San Francisco, Calif.....	
J. L. Howard.....	San Francisco, Calif.....	
A. M. Easton.....	Burlingame, Calif.....	
D. O. Mills.....	New York City.....	

At the date of the last election the total number of stockholders was 13. The last meeting of stockholders for the election of directors was held March 26, 1908. The postoffice address of the general office is San Francisco, California, and that of the operating office is Bellingham, Washington.

### OFFICERS.

TITLE.	Name.	Location of Office.
Chairman of Board.....	H. H. Taylor.....	San Francisco, Cal.
President .....	H. H. Taylor.....	San Francisco, Cal.
First Vice President.....	John L. Howard....	San Francisco, Cal.
Treasurer .....	F. G. Drum.....	San Francisco, Cal.
Attorney, or General Counsel.....	Newman & Howard	Bellingham, Wash.
Auditor .....	W. H. Lawson.....	Bellingham, Wash.
General Auditor.....	E. H. Hammond....	San Francisco, Cal.
Superintendent .....	H. B. Paige.....	Bellingham, Wash.
Tax Commissioner.....	G. C. Hyatt.....	Bellingham, Wash.

### CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Cash .....	\$4,031 00
Bills receivable .....	73 57
Due from agents.....	3,481 44
Due from solvent companies and individuals.....	1,482 88
Traffic balances due from other companies.....	28 31
Other cash assets (not including material).....	1,502 37
Balance current liabilities .....	249,498 00
Total .....	\$260,097 57
Materials and supplies, \$23,850.62.	

*Total Liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$238,000 00
Audited vouchers and accounts.....	8,250 54
Wages and salaries.....	7,921 45
Matured interest (unpaid).....	2,000 00
Taxes .....	3,925 58
<b>Total .....</b>	<b>\$260,097 57</b>

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road.....	\$1,465,599 88	\$1,481,590 56	\$15,990 68	.....
Cost of equipment.....	273,568 75	282,055 82	8,487 07	.....
Lands owned.....	88,506 00	26,982 00	.....	\$61,524 00
Cash and current assets.....	15,998 78	10,599 57	.....	5,399 21
Materials and supplies.....	12,979 62	23,850 62	10,871 00	.....
Sundries.....	1,261 22	1,085 90	.....	275 32
Profit and loss.....	276,089 47	286,806 44	10,716 97	.....
<b>Grand total.....</b>	<b>\$2,078,947 72</b>	<b>\$2,112,870 91</b>	<b>\$33,923 19</b>	.....

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock.....	\$1,000,000 00	\$1,000,000 00	.....	.....
Assessment account.....	171,800 00	171,800 00	.....	.....
Funded debt.....	659,000 00	659,000 00	.....	.....
Current liabilities.....	245,401 87	260,097 57	\$14,695 70	.....
Accrued interest on funded debt not yet payable .....	2,745 85	2,745 85	.....	.....
Equipment replacement.....	.....	19,227 49	19,227 49	.....
<b>Grand total.....</b>	<b>\$2,078,947 72</b>	<b>\$2,112,870 91</b>	<b>\$33,923 19</b>	.....

## COLUMBIA &amp; PUGET SOUND RAILROAD CO.

## HISTORY.

The Columbia & Puget Sound Railroad Company was organized November 26, 1880, under the general laws of the territory, now State of Washington. It is not a consolidated company. The name of the road was originally Seattle & Walla Walla. It was purchased and the name changed to Columbia & Puget Sound Railroad Company.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
J. C. Ford.....	Seattle, Wash.....	May 18, 1909
G. W. Mertens.....	Seattle, Wash.....	May 18, 1909
C. H. Farrell.....	Seattle, Wash.....	May 18, 1909
J. W. Smith.....	Seattle, Wash.....	May 18, 1909
W. E. Nichols.....	Seattle, Wash.....	May 18, 1909

At the date of the last election the total number of stockholders was 6. The last meeting of stockholders for election of directors was held June 12, 1908. The postoffice address of the general office is Seattle, Washington, and that of the operating office is the same.

## OFFICERS.

TITLE.	Name.	Location of Office.
President .....	C. H. Farrell.....	Seattle, Wash.
Vice President.....	W. E. Nichols.....	Seattle, Wash.
Secretary .....	J. W. Smith.....	Seattle, Wash.
Attorney, or General Counsel.	Farrell, Kane & Stratton.....	Seattle, Wash.
General Auditor.....	J. W. Smith.....	Seattle, Wash.
Chief Engineer.....	Jas. Anderson.....	Seattle, Wash.
Division Superintendent.....	G. W. Mertens.....	Seattle, Wash.
General Freight Agent.....	G. W. Mertens.....	Seattle, Wash.
General Passenger Agent.....	C. D. Dunann.....	San Francisco, Cal.

## CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Cash .....	\$81,653 25
Bills receivable .....	48,417 56
Due from agents.....	382 24
Due from solvent companies and individuals.....	384,753 25

Total ..... \$515,206 30

Material and supplies on hand \$111,093.34 not included in above.

*Current liabilities accrued to and including June 30, 1908:*

Audited vouchers and accounts.....	\$28,857 97
Wages and salaries.....	20,215 40
Traffic balances due other companies.....	2,373 31
Miscellaneous .....	50,768 93

Total, current liabilities ..... \$102,215 61

Balance, cash assets..... 412,990 69

Total ..... \$515,206 30

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road.....	\$1,193,088 59	\$1,308,965 66	\$115,877 07	
Cost of equipment,.....	503,780 43	579,958 87	76,178 44	
General expenditures.....	102,074 68	102,074 68		
Cash and current assets.....	778,250 77	412,990 69		\$360,260 08
Materials and supplies.....		111,093 84	111,093 84	
Grand total.....	\$2,572,194 47	\$2,515,083 24		\$57,111 23

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock.....	\$1,000,000 00	\$1,000,000 00		
Profit and loss.....	1,572,194 47	1,515,083 24		\$57,111 23
Grand total.....	\$2,572,194 47	\$2,515,083 24		\$57,111 23

## GREAT NORTHERN RAILWAY COMPANY.

## HISTORY.

The Great Northern Railway Company was organized March 1, 1856, under the laws of the State of Minnesota, Acts of March 1, 1856, February 23, 1857, February 28, 1865, March 5, 1869, March 2, 1870, March 11, 1879, March 7, 1881, and March 10, 1885. There are no constituent companies.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
James J. Hill.....	St. Paul, Minn.....	October, 1908
Frederick Weyerhaeuser.....	St. Paul, Minn.....	October, 1908
Louis W. Hill.....	St. Paul, Minn.....	October, 1908
R. I. Farrington.....	St. Paul, Minn.....	October, 1909
E. Sawyer.....	St. Paul, Minn.....	October, 1909
W. R. Begg.....	St. Paul, Minn.....	October, 1909
Henry W. Cannon.....	New York City.....	October, 1910
William B. Dean.....	St. Paul, Minn.....	October, 1910
Samuel Thorne.....	New York City.....	October, 1910

At the date of the last election the total number of stockholders was 6471. The last meeting of stockholders for the election of directors was held Oct. 10, 1907. The postoffice address of the general office is St. Paul, Minn., and that of the operating office is the same.



## OFFICERS.

TITLE.	Name.	Official Address.
Chairman of Board.....	James J. Hill.....	St. Paul, Minn.
President .....	Louis W. Hill.....	St. Paul, Minn.
Second Vice President.....	R. I. Farrington.....	St. Paul, Minn.
Third Vice President.....	E. T. Nichols.....	New York City
Secretary and Ass't Treas....	E. T. Nichols.....	New York City
Treasurer and Ass't Sec'y....	E. Sawyer.....	St. Paul, Minn.
Ass't Treas. and Ass't Sec'y...	N. Terhune.....	New York City
Assistant Secretary.....	F. W. Babbett.....	St. Paul, Minn.
General Solicitor.....	W. R. Begg.....	St. Paul, Minn.
Attorney .....	J. D. Armstrong.....	St. Paul, Minn.
Attorney .....	M. L. Countryman.....	St. Paul, Minn.
Comptroller .....	J. G. Drew.....	St. Paul, Minn.
Assistant Comptroller.....	G. R. Martin.....	St. Paul, Minn.
Auditor .....	F. E. Draper.....	St. Paul, Minn.
General Manager.....	J. M. Gruber.....	St. Paul, Minn.
Assistant General Manager...	H. A. Kennedy.....	St. Paul, Minn.
Chief Engineer.....	A. H. Hogeland.....	St. Paul, Minn.

## General Superintendents—

Lake District .....	D. M. Philbin.....	Superior, Wis.
Eastern District .....	W. D. Scott.....	St. Paul, Minn.
Central District .....	R. W. Bryan.....	Minot, N. D.
Western District .....	E. L. Brown.....	Spokane, Wash
Superintendent of Telegraph...	E. J. Little.....	St. Paul, Minn.
Traffic Manager.....	W. W. Broughton.....	St. Paul, Minn.
Ass't Traffic Manager.....	W. P. Kennedy.....	St. Paul, Minn.
Ass't Traffic Manager.....	M. J. Costello.....	Seattle, Wash.
Ass't Gen. Freight Agent....	H. A. Kimball.....	St. Paul, Minn.
Ass't Gen. Freight Agent....	A. G. Maguire.....	St. Paul, Minn.
Ass't Gen. Freight Agent....	A. Gray .....	Seattle, Wash.
Ass't Gen. Freight Agent....	G. I. Sweney.....	St. Paul, Minn.
General Passenger Agent....	A. L. Craig.....	St. Paul, Minn.
Ass't Gen. Pass. Agent.....	S. J. Ellison.....	St. Paul, Minn.
Ass't Gen. Pass. Agent.....	W. A. Ross.....	Seattle, Wash.
General Baggage Agent.....	S. A. Smart.....	St. Paul, Minn.
Land Commissioner.....	C. H. Babcock.....	St. Paul, Minn.

## CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Cash .....	\$11,688,302 20
Bills receivable .....	3,439,900 27
Due from agents.....	1,810,222 74
Due from solvent companies and individuals.....	2,220,882 30
Traffic balances due from other companies.....	102,167 27

Total ..... \$19,261,474 78

Material and supplies not included above, \$8,217,723.24.

*Current liabilities accrued to and including June 30, 1908:*

Auditors' vouchers and accounts.....	\$3,366,625 10
Wages and salaries.....	2,423,494 32
Matured interest coupons unpaid, including coupons due July 1	1,648,847 23
Rents due July 1, 1908.....	10,000 00
Miscellaneous .....	1,224 00
Balance cash assets.....	11,811,284 13

Total ..... \$19,261,474 78

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of properties and securities.....	\$ 13,855,048 41	.....	.....	\$13,855,048 41
Cost of road.....	.....	\$289,899,079 94	\$289,899,079 94	.....
Cost of equipment.....	24,171,096 97	51,064,648 90	26,893,546 93	.....
General expense.....	.....	450,691 50	450,691 50	.....
Stocks owned.....	186,638,978 66	121,721,652 78	.....	63,917,326 88
Funded debt owned.....	22,377,467 53	83,556,348 18	11,178,885 65	.....
Other permanent investments.....	2,551,328 59	4,177,682 24	1,626,353 65	.....
Advances for construction.....	62,375,605 21	44,595,103 20	.....	17,780,502 01
Cost of additions and improvements made by the G. N. Ry. Co. to property leased from the St. P., M. & M. and paid for from funds for permanent improvements and renewals.....	15,648,150 81	.....	.....	15,648,150 81
Cash and current assets.....	81,016,702 83	19,261,474 78	.....	11,756,227 85
Material and supplies.....	5,885,179 77	8,217,728 24	2,332,548 47	.....
Advance charges.....	89,072 48	.....	.....	89,072 48
Sundries.....	.....	1,050,052 80	1,050,052 80	.....
Grand totals.....	\$363,608,616 01	\$523,994,447 56	\$160,385,831 55	.....

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock.....	\$149,577,500 00	\$209,962,750 00	\$ 60,385,250 00	.....
Stock subscriptions.....	84,616,212 00	.....	.....	\$84,616,212 00
Funded debt.....	107,613,000 00	238,510,909 09	125,897,909 09	.....
Current liabilities.....	9,246,739 89	7,450,190 65	.....	1,796,548 74
Taxes not due.....	880,526 00	1,086,542 81	156,016 81	.....
Accrued interest on funded debt not yet payable.....	.....	262,923 83	262,923 83	.....
Accrued interest not yet payable.....	387,483 13	.....	.....	387,483 13
Rentals not due.....	288,205 00	.....	.....	288,205 00
Fund for permanent improvements and renewals.....	4,527,205 16	4,844,265 78	317,060 62	.....
Sinking fund Superior coal dock.....	78,544 68	115,908 75	42,359 12	.....
Insurance fund.....	444,410 69	481,884 87	37,473 68	.....
Fund for depreciation of equipment.....	6,651,521 73	14,369,984 52	7,718,462 79	.....
Cost of additions and improvements made from permanent improvement renewal fund.....	15,648,150 81	17,822,512 47	2,174,361 66	.....
St. P., M. & M. Ry. consolidated mortgage bonds redeemed through sinking fund.....	.....	78,000 00	78,000 00	.....
Surplus funds of proprietary companies deposited with this company.....	9,937,898 01	6,875,489 27	.....	3,061,908 74
Profit and loss.....	28,766,719 46	27,183,091 52	3,416,872 06	.....
Grand totals.....	\$363,608,616 01	\$523,994,447 56	\$160,385,831 55	.....

## ILWACO RAILROAD COMPANY.

### HISTORY.

The Ilwaco Railroad Company was organized May 6, 1907, under the laws of the State of Oregon, title 1 of chapter XXXII of Bill's Annotated Laws of Oregon (1887), comprising sections 3217 to 3238, both inclusive, as amended by the following acts of the Legislative Assembly of the State of Oregon:

Act approved February 20, 1891, amending section 3218 above named (Laws 1891, page 110).

Act of February 20, 1893, amending section 3224 above named (Laws 1893, page 62); act of February 27, 1901, amending section 3224 (Laws 1901, page 306).

Act of February 21, 1893, amending section 3238 above named (Laws 1893, page 112).

Bellinger & Cotton's Annotated Codes and Statutes of Oregon, sections 5052 and 5073, and Laws of 1903 of the State of Oregon, pages 39, 41 and 212, and Laws of Oregon, 1905, pages 111, 299, 300 and 325.

The Ilwaco Railroad Company has never been reorganized. It acquired all of the property of the Ilwaco Railway and Navigation Co., by purchase on June 15, 1907.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
W. D. Cornish.....	New York City.....	{ First Thursday of September, 1908, or when successors are elected and qualified.
R. Blaisdell.....	Portland, Ore.....	
H. F. Connor.....	Portland, Ore.....	

At the date of the last election the total number of stockholders was 3. The last meeting of the stockholders for the election of directors was held September 5, 1907. The post-office address of the general office is Portland, Oregon, and that of the operating office the same.

### OFFICERS.

TITLE.	Name.	Official Address.
President .....	W. D. Cornish.....	New York City
Vice President.....	R. Blaisdell.....	Portland, Ore.
Assistant Secretary.....	H. F. Connor.....	Portland, Ore.
Secretary .....	Alex. Miller.....	New York City
Treasurer .....	Frede V. S. Crosby.....	New York City
Assistant Treasurer.....	R. Blaisdell.....	Portland, Ore.
General Attorney.....	W. W. Cotton.....	Portland, Ore.
Attorney .....	J. J. Brumbach.....	Ilwaco, Wash.
Comptroller .....	Wm. Mahl.....	New York City
General Auditor.....	Erastus Young.....	Omaha, Neb.
Auditor .....	R. Blaisdell.....	Portland, Ore.
General Manager.....	J. P. O'Brien.....	Portland, Ore.
Chief Engineer.....	G. W. Boeschke.....	Portland, Ore.

Superintendent .....	E. R. Budd.....	Ilwaco, Wash.
Sup't Motive Power .....	J. F. Graham.....	Portland, Ore.
General Freight Agent.....	R. B. Miller.....	Portland, Ore.
1st Gen. Freight Agent.....	W. E. Coman.....	Portland, Ore.
Ass't Gen. Freight Agent.....	W. D. Skinner.....	Portland, Ore.
General Passenger Agent.....	Wm. McMurray.....	Portland, Ore.
Ass't Gen. Pass. Agent.....	J. M. Scott.....	Portland, Ore.
Tax and Right-of-Way Agent.....	J. W. Morrow.....	Portland, Ore.

## CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Cash .....	\$6,764 44
Due from agents.....	1,342 76
Due from solvent companies and individuals.....	6,925 64
Traffic balances due from other companies.....	1,620 97
Balance current liabilities.....	352,232 04

Total .....	\$368,885 85
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Material and supplies on hand not included above, \$6,055.66.

*Current liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$316,952 40
Audited vouchers and accounts.....	30,845 36
Wages and salaries.....	11,913 59
Matured interest coupons unpaid (including coupons due July 1, 1908).....	9,150 00
Miscellaneous .....	24 50

Total .....	\$368,885 85
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## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road.....	\$526,454 48	\$866,196 46	\$339,741 98	
Cost of equipment .....	41,610 83	45,932 71	4,321 88	
General expenditures.....	2,406 29	16,994 09	14,587 30	
Stocks owned .....	2 00	2 00		
Cash and current assets.....	8,689 81	16,658 81	7,964 00	
Materials and supplies.....	8,855 01	6,055 66		\$2,799 35
Unappropriated insurance.....	719 26	288 61		430 65
Profit and loss .....	2,644 46			2,644 46
Total .....	\$591,382 14	\$952,123 84	\$360,741 20	

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock.....	\$152,500 00	\$152,500 00		
Funded debt.....	305,000 00	305,000 00		
Current liabilities.....	132,242 61	368,885 85	\$236,643 24	
Accrued taxes not yet payable.....	1,612 47	1,759 26	146 79	
Boat line equipment depreciation fund .....	27 06	*1,249 78		\$1,276 84
Ilwaco R'y & Navigation Co distribution of assets.....		125,000 00	125,000 00	
Profit & loss.....		228 01	228 01	
Grand total.....	\$591,382 14	\$952,123 84	\$360,741 20	

\*This number is deducted from footing of the other numbers in the column.

## NORTHERN PACIFIC RAILWAY CO.

### HISTORY.

The Northern Pacific Railroad Company was chartered by the State of Wisconsin March 15, 1870, amended January 21, 1871, March 6, 1871, and April 15, 1895. Its original name was Superior and St. Croix Railroad Company, changed in 1896 by resolution of stockholders and directors to Northern Pacific Railway Company. It is not a consolidated company.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
William P. Clough.....	New York City.....	October, 1908
Alex Smith Cochran.....	New York City.....	October, 1908
Amos Tuck French.....	New York City.....	October, 1908
James N. Hill.....	New York City.....	October, 1908
Payne Whitney.....	New York City.....	October, 1908
Howard Elliott.....	St. Paul, Minn.....	October, 1909
Lewis Cass Ledyard.....	New York City.....	October, 1909
J. Pierpont Morgan, Jr.....	London, Eng.....	October, 1909
George W. Perkins.....	New York City.....	October, 1909
Charles Steele.....	New York City.....	October, 1909
George F. Baker.....	New York City.....	October, 1910
John S. Kennedy.....	New York City.....	October, 1910
Grant B. Schley.....	New York City.....	October, 1910
William Sloane.....	New York City.....	October, 1910
Arthur Curtis James.....	New York City.....	October, 1910

At the date of the last election the total number of stockholders was 4,872. The last meeting of stockholders for election of directors was held October 8, 1907. The postoffice address of the general office is St. Paul, Minn., and that of the operating office is the same.

### OFFICERS.

TITLE.	Name.	Official Address.
President .....	Howard Elliott.....	St. Paul, Minn.
First Vice President.....	James N. Hill.....	New York City.
Second Vice President.....	Jule M. Hannaford....	St. Paul, Minn.
Third Vice President.....	Charles M. Levey.....	St. Paul, Minn.
Secretary and Ass't Treas....	George H. Earle.....	New York City
Treasurer .....	Charles A. Clark.....	St. Paul, Minn.
General Counsel.....	Francis Lynn Stetson..	New York City
General Counsel.....	Charles W. Bunn.....	St. Paul, Minn.
Comptroller .....	Henry A. Gray.....	St. Paul, Minn.
Ass't Comptroller.....	William G. Johnson..	St. Paul, Minn.
General Manager.....	George T. Slade.....	St. Paul, Minn.
General Manager.....	H. C. Nutt.....	Tacoma, Wash.
Chief Engineer.....	William L. Darling....	St. Paul, Minn.
General Superintendent.....	F. W. Gilbert.....	St. Paul, Minn.
General Superintendent.....	G. A. Goodell.....	Livingstone, Mont.

General Superintendent.....B. E. Palmer.....Tacoma, Wash.  
 Superintendent of Telegraph.....O. C. Greene.....St. Paul, Minn.  
 Traffic Manager.....J. G. Woodworth.....St. Paul, Minn.  
 General Freight Agent.....J. B. Baird.....St. Paul, Minn.  
 Gen. West. Freight Agent.....Henry Blakeley.....Tacoma, Wash.  
 General Passenger Agent.....A. M. Cleland.....St. Paul, Minn.  
 Ass't Gen. Pass. Agent.....A. D. Charlton.....Portland, Ore.  
 General Baggage Agent.....W. H. Lowe.....St. Paul, Minn.  
 Land Commissioner.....Thomas Cooper.....St. Paul, Minn.

#### CURRENT ASSETS AND LIABILITIES JUNE 30, 1908.

##### Cash and current assets available for payment of current liabilities:

Cash .....	\$34,900,794 91
Bills receivable .....	191,118 18
Due from agents.....	830,721 20
Due from solvent companies and individuals.....	6,149,816 92
Spokane, Portland & Seattle Ry. Co.—Construction advances..	26,514,893 28
Clearwater Short Line Ry, joint line—Construction advances..	3,366,414 50
Big Fork & International Falls Ry.—Construction advances..	682,190 92

Total cash current assets..... 72,635,949 91

Materials and supplies on hand, not included above, \$6,113,388.17.

##### Current liabilities accrued to and including June 30, 1908:

Audited vouchers and accounts.....	\$4,006,194 57
Wages and salaries.....	2,369,525 45
Traffic balances due to other companies.....	91,858 71
Dividends not called for.....	2,714,354 50
Matured interest coupons unpaid (incl'g coupons due July 1).	1,170,825 75
Taxes accrued .....	1,955,409 41
Reserve accounts .....	9,416,028 23
Balance cash assets .....	50,911,753 29

Total ..... \$72,635,949 91

#### COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS	June 30, 1907, Total.	June 30, 1908, Total.	YEAR ENDING JUNE 30, 1908	
			Increase.	Decrease.
Cost of road.....	\$318,388,493 45	\$338,567,868 84	\$20,479,375 39	
Cost of equipment.....	87,295,670 07	89,641,897 89	2,346,227 82	
General expenditures .....		271,884 98	271,884 98	
Stocks owned.....	5,214,980 94	5,235,830 94	20,400 00	
Funded debt owned.....	11,238,825 02	12,059,238 77	820,413 75	
Land dept. current assets.....	2,876,275 48	2,365,196 96		\$511,078 52
Cash and current assets.....	88,809,184 08	72,635,949 91	34,326,765 89	
Material and supplies .....	5,889,981 12	6,113,388 17	223,457 05	
Sinking insurance and other funds.....	2,120,460 20	5,000,000 00	2,879,539 80	
Material and supplies leased.	30,458 06	30,458 06		
Cash in hands of trustees of mtgs.....	1,618,829 06	984,055 36		634,773 70
Securities in hands of trustees of St. Paul-Duluth division mtge. as collateral.....	1,405,773 89	1,352,847 33		52,926 56
Securities in hands of trustees of N. P. & G. N. joint bonds as collateral).....	109,114,309 76	109,114,309 76		
Grand total .....	\$583,502,636 13	\$598,672,421 97	\$60,169,785.84	

LIABILITIES	June 30, 1907, Total.	June 30, 1908, Total.	YEAR ENDING JUNE 30, 1908	
			Increase.	Decrease.
Capital stock .....	\$155,000,000 00	\$155,000,000 00		
Subscription to new capital stock .....	14,721,100 87	62,881,885 97	\$48,160,785 60	
Funded debt .....	186,708,876 00	190,289,739 82	3,586,863 82	
Current liabilities .....	22,141,492 00	21,724,196 62		
Accrued interest on funded debt not yet payable .....	542,001 66	536,786 66		\$417,295 38
N. P. & G. N. joint bonds .....	107,613,000 00	107,613,000 00		5,215 00
Liquidation acct. ....	65,498 87	65,498 87		
Insurance fund acct. ....	2,120,460 20	5,600,000 00	2,879,539 80	
Profit and loss .....	44,595,707 08	50,611,864 58	6,015,657 50	
Grand total .....	\$533,502,636 13	\$593,672,421 97	60,169,785 84	

## OREGON & WASHINGTON RAILROAD CO.

### HISTORY.

The Oregon & Washington Railroad Company was organized May 12, 1906, under the laws of the State of Oregon, as follows:

Title 1 of chapter XXXII, of Bills' Annotated Laws of Oregon (1887), comprising 3217 to 3238, both inclusive, as amended by the following acts of the Legislative Assembly of the State of Oregon:

Act approved February 20, 1891, amending section 3218, above named (Laws 1891, page 110).

Act of February 20, 1893, amending section 3224 above named (Laws 1893, page 62); act of February 27, 1901, amending section 3224 (Laws 1901, page 306).

Act of February 21, 1893, amending section 3238 above named (Laws 1893, page 112).

Bellinger & Cotton's Annotated Codes and Statutes of Oregon, sections 5052 to 5073, and Laws of 1903 of the State of Oregon, pages 39, 41 and 212, and Laws of Oregon, 1905, pages 111, 299, 300 and 325.

The entire property of the Oregon & Washington Railroad Company is under the control of the construction department. Six and one-tenth miles of line running from the mines of the Washington Union Coal Company to a connection with the Northern Pacific Railway at a point near Centralia, Washington, was completed and put in operation during the fiscal year. The company owns no equipment and maintains no reg-

ular train service. Such service when required was performed by the Northern Pacific Railway Company. No employees have been engaged in operation.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
W. W. Cotton.....	Portland, Ore.....	First Thursday in September, 1908, or when successors have been elected and qualified.
H. F. Conner.....	Portland, Ore.....	
R. Blaisdell.....	Portland, Ore.....	
W. D. Skinner.....	Portland, Ore.....	
W. A. Robbins.....	Portland, Ore.....	
W. R. Litzenberg.....	Portland, Ore.....	
J. D. Farrell.....	Seattle, Wash.....	

At the date of the last election the total number of stockholders was 8. The last meeting of stockholders for election of directors was held September 5, 1907. The postoffice address of the general office is Portland, Oregon, and that of the operating office the same.

#### OFFICERS.

TITLE.	Name.	Official Address.
President .....	H. F. Connor.....	Portland, Ore.
First Vice President.....	J. D. Farrell.....	Seattle, Wash.
Secretary .....	W. R. Litzenberg.....	Portland, Ore.
Treasurer .....	F. V. S. Crosby.....	New York City
Ass't Treasurer.....	J. W. Newkirk, (succeeded)	Portland, Ore.
Counsel .....	R. S. Lovett.....	New York City
General Attorney.....	W. W. Cotton.....	Portland, Ore.
Assistant Secretary.....	Alex Millar.....	New York City
General Auditor.....	Erastus Young.....	Omaha, Neb.
Comptroller .....	Wm. Mahl.....	New York City
Assistant Comptroller.....	H. F. Bradt.....	New York City
Auditor .....	R. Blaisdell.....	Portland, Ore.
General Manager.....	J. D. Farrell.....	Seattle, Wash.
Chief Engineer.....	H. F. Baldwin.....	Seattle, Wash.

#### CURRENT ASSETS AND LIABILITIES JUNE 30, 1908.

##### Cash and current assets available for payment of current liabilities:

Cash .....	\$932 93
Due from agents.....	13,268 01
Due from solvent companies and individuals.....	153,933 22
Other cash assets (excluding material and supplies).....	118,712 02
Balance current liabilities.....	18,453,433 64

Total ..... \$18,740,279 82  
Materials and supplies on hand, \$82,768.86.

##### Current liabilities accrued to and including June 30, 1908:

Audited vouchers and accounts.....	\$18,710,873 83
Wages and salaries.....	9,470 51
Miscellaneous .....	19,935 48

Total ..... \$18,740,279 82



COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907, Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road.....	\$16,251,698 77	\$18,109,140 84	\$1,857,441 57	
General expenditures .....	855,252 91	518,524 44	161,271 48	
Cash and current assets .....	61,991 41	286,846 18	224,854 77	
Materials and supplies.....		827,768 86	827,768 86	
Grand total .....	\$16,668,943 14	\$19,740,279 82	\$3,071,836 68	

LIABILITIES	June 30, 1907, Total.	June 30, 1908, Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock .....	\$1,000,000 00	\$1,000,000 00		
Current liabilities .....	15,668,943 14	18,740,279 82	\$3,071,836 68	
Grand total .....	\$16,668,943 14	\$19,740,279 82	\$3,071,836 68	

OREGON, WASHINGTON & IDAHO RAILROAD CO.

HISTORY.

The Oregon, Washington & Idaho Railroad Company was organized August 7, 1903, under the laws of the State of Oregon, as follows:

Title 1 of chapter XXXII of Bill's Annotated Laws of Oregon (1887), comprising sections 3217 to 3238, both inclusive, as amended by the following acts of the Legislative Assembly of the State of Oregon:

Act approved February 21, 1891, amending section 3218 above named (Laws 1891, page 110).

Act of February 20, 1893, amending section 3224 above named (Laws 1893, page 62).

Act of February 27, 1901, amending section 3224 (Laws 1901, page 306).

Act of February 21, 1893, amending section 3238 above named (Laws 1893, page 112).

Bellinger & Cotton's Annotated Codes and Statutes of Oregon, section 5052 to 5073, and Laws of 1903 of the State of Oregon, pages 39, 41 and 212, and Laws of Oregon, 1905, pages 111, 299, 300 and 325.

This company has never been reorganized or consolidated.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
W. W. Cotton.....	Portland, Ore.....	} First Monday in February, 1909, or until successors are elected and qualified.
C. G. Sutherland.....	Portland, Ore.....	
J. P. O'Brien.....	Portland, Ore.....	
J. G. Wilson.....	Portland, Ore.....	

At the date of the last election the total number of stockholders was 5. The last meeting of stockholders for the election of directors was held February 3, 1908. The postoffice address of the general office is Portland, Oregon, and that of the operating office is the same.

## OFFICERS.

TITLE.	Name.	Official Address.
President .....	J. P. O'Brien .....	Portland, Ore.
Vice President.....	C. G. Sutherland.....	Portland, Ore.
Secretary .....	W. R. Litzenberg.....	Portland, Ore.
Treasurer .....	J. W. Newkirk.....	Portland, Ore.
General Attorney.....	W. W. Cotton.....	Portland, Ore.
Auditor .....	R. Blaisdell.....	Portland, Ore.
General Auditor.....	Erastus Young.....	Omaha, Neb.
Chief Engineer.....	G. W. Boeschke.....	Portland, Ore.
Tax and Right-of-Way Agent.....	J. W. Morow.....	Portland, Ore.

## CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Due from solvent companies and individuals.....	\$14,907 38
Balance current liabilities.....	2,913,869 26

Total .....	\$2,928,776 64
Materials and supplies on hand not included above	\$6,578.27.

*Current liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$2,683,135 44
Audited vouchers and accounts.....	214,832 12
Wages and salaries.....	30,809 08

Total .....	\$2,928,776 64
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## COMPARATIVE GENERAL BALANCE SHEET.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road.....	\$2,028,408 51	\$2,907,290 99	\$878,882 48	
Stock subscriptions.....	1,000,000 00	1,000,000 00		
Cash and current assets.....	3,559 84	14,907 38	11,347 54	
Material and supplies.....		6,578 27	6,578 27	
Grand total.....	\$3,031,968 35	\$3,928,776 64	\$896,808 29	

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock.....	\$1,000,000 00	\$1,000,000 00		
Current liabilities.....	2,031,968 35	2,928,776 64	\$896,808 29	
Grand total.....	\$3,031,968 35	\$3,928,776 64	\$896,808 29	

## PORT TOWNSEND SOUTHERN RAILROAD CO.

### HISTORY.

The Port Townsend Southern Railroad Company was organized August 30, 1887, under the laws of the Territory and State of Washington. It is not a consolidated company.

NAMES OF TRUSTEES.	Postoffice Address.	Date of Expiration of Term.
Howard Elliott.....	St. Paul, Minn.....	October 6, 1908
Thomas Cooper.....	St. Paul, Minn.....	October 6, 1908
H. C. Nutt.....	Tacoma, Wash.....	October 6, 1908
M. P. Martin.....	Tacoma, Wash.....	October 6, 1908
B. S. Grosscup.....	Tacoma, Wash.....	October 6, 1908
Henry Blakeley.....	Tacoma, Wash.....	October 6, 1908
A. G. Avery.....	Tacoma, Wash.....	October 6, 1908

At the date of the last election the total number of stockholders was 8. The last meeting of stockholders for election of trustees was held October 1, 1907. The postoffice address of the general office is Tacoma, Washington, and that of the operating office is the same.

### OFFICERS.

TITLE.	Name.	Location of Office.
President .....	H. C. Nutt.....	Tacoma, Wash.
Vice President and comptroller .....	M. P. Martin.....	Tacoma, Wash.
Secretary .....	R. H. Relf.....	St. Paul, Minn.
Treasurer .....	C. A. Clark.....	St. Paul, Minn.
Assistant Secretary.....	A. G. Avery.....	Tacoma, Wash.
Attorney .....	B. S. Grosscup.....	Tacoma, Wash.
Traffic Agent.....	Henry Blakeley.....	Tacoma, Wash.

### CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

#### *Cash and current assets available for payment of current liabilities:*

Bills receivable .....	\$2,335 37
Due from agents.....	288 97
Due from solvent companies and individuals.....	496 90
Traffic balances due from other companies.....	1,718 13
Balance current liabilities.....	877,811 05
<b>Total .....</b>	<b>\$882,650 42</b>
Material and supplies on hand not included above \$703.39.	

#### *Current liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$58,162 53
Audited vouchers and accounts.....	2,390 05
Wages and salaries.....	1,722 80
Traffic balances due to other companies.....	8 00
Matured interest unpaid (including coupons due July 1).....	816,240 00
Taxes .....	2,844 75
Equipment replacement funds.....	1,282 27
<b>Total .....</b>	<b>\$882,650 42</b>

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road				
Cost of equipment	\$3,981,844 54	\$3,982,459 92	\$1,115 38	
Cash and current assets	599,529 27	4,839 87		\$574,689 90
Material and supplies		703 89	703 89	
Profit and loss	809,227 11	856,647 74	47,420 63	
Grand total	\$5,340,100 92	\$4,794,650 42		\$545,450 50

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock	\$3,000,000 00	\$2,000,000 00		
Funded debt	912,000 00	912,000 00		
Current liabilities	1,428,100 92	882,650 42		\$545,450 50
Grand total	\$5,340,100 92	\$4,794,650 42		\$545,450 50

## SEATTLE SOUTHEASTERN RAILWAY CO.

## HISTORY.

The Seattle Southeastern Railway Company was organized September 13, 1906, under the general laws of the State of Washington for private corporations, Code of 1881, sections 2421 to 2477. Amended Laws of 1895, page 338; Laws of 1905, chapters 11 and 27. Not a reorganized or consolidated company.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
Edward Cookingham	Portland, Ore.	Jan. 12, 1909
W. M. Ladd	Portland, Ore.	Jan. 12, 1909
John Bagley	Tacoma, Wash.	Jan. 12, 1909
J. G. Dickson	Tacoma, Wash.	Jan. 12, 1909
E. M. Hayden	Tacoma, Wash.	Jan. 12, 1909

At the date of the last election the total number of stockholders was 6. The last meeting of stockholders for election of directors was held January 14, 1908. The postoffice address of the general office is Tacoma, Washington, and that of the operating office is the same.

## OFFICERS.

TITLE.	Name.	Official Address.
President .....	Edward Cookingham.....	Portland, Ore.
First Vice President.....	John Bagley.....	Tacoma, Wash.
Secretary .....	E. M. Hayden.....	Tacoma, Wash.
Treasurer .....	J. G. Dickson.....	Tacoma, Wash.
Attorney .....	E. M. Hayden.....	Tacoma, Wash.
Auditor .....	A. Cookingham.....	Tacoma, Wash.
General Manager.....	John Bagley.....	Tacoma, Wash.
General Superintendent.....	Martin Miller.....	Tacoma, Wash.

## CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Cash .....	\$824 32
Suspense liability insurance.....	317 38
Balance current liabilities.....	8,181 05

Total ..... \$9,322 75

Materials and supplies not included above \$378.82.

*Current liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$9,250 00
Audited vouchers and accounts.....	72 75

Total ..... \$9,322 75

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908

ASSETS	June 30, 1907. Total	June 30, 1908. Total	YEAR ENDING JUNE 30, 1908.	
			Increase	Decrease
Cost of road.....	\$87,670 13	\$92,254 33	\$4,584 20	.....
Cost of equipment.....	18,802 67	18,659 67	857 00	.....
General expenditures.....	213 89	613 56	399 67	.....
Cash and Current Assets.....	6,941 71	1,141 70	.....	\$5,800 01
Materials and supplies.....	421 92	378 82	.....	43 10
Grand total.....	\$113,550 32	\$113,048 08	.....	\$502 24

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock.....	\$100,000 00	\$100,000 00	.....	.....
Current liabilities.....	10,791 96	9,322 75	.....	\$1,469 21
Replacement accounts.....	.....	919 41	\$919 41	.....
Profit and loss.....	2,758 36	2,805 92	47 56	.....
Grand total.....	\$113,550 32	\$113,048 08	.....	\$502 12

## SNAKE RIVER VALLEY RAILROAD CO.

### HISTORY.

The Snake River Valley Railroad Company was organized March 2, 1898, under the laws of the State of Oregon; sections 3217-3238 of Hill's Annotated Laws of Oregon; Bellinger & Cotton's Annotated Code and Statutes of Oregon, sections 5052 to 5073; Laws of 1903, State of Oregon, pages 39, 41 and 212; and Laws of Oregon, 1905, pages 111, 229, 300 and 325. It is not a consolidated or reorganised company.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
J. G. Wilson.....	Portland, Ore.....	} First Monday in February, 1909, or when successors are elected and qualified.
C. G. Sutherland.....	Portland, Ore.....	
J. P. O'Brien.....	Portland, Ore.....	
W. D. Cornish.....	New York City.....	

At the date of the last election the total number of stockholders was 4. The last meeting for the election of directors was held February 3, 1908. The postoffice address of the general office is Portland, Oregon, and that of the operating office the same.

TITLE.	Name.	Official Address.
President .....	W. D. Cornish.....	New York City
Vice President.....	J. P. O'Brien.....	Portland, Ore.
Secretary .....	Allen Millar.....	New York City
Treasurer .....	J. W. Newkirk.....	Portland, Ore.
Auditor .....	R. Blaisdell.....	Portland, Ore.
Chief Engineer.....	G. W. Boeschke.....	Portland, Ore.

### CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Due from solvent companies and individuals.....	\$94,509 56
<b>Total .....</b>	<b>\$94,509 56</b>

*Current liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$7,415 81
Balance cash assets.....	87,093 75
<b>Total .....</b>	<b>\$94,509 56</b>

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908	
			Increase.	Decrease.
Cost of road.....		\$1,764,379 54		
Cost of Equipment.....	\$2,256,141 35	459,700 52	\$1,154 10	
General Expenditures.....		33,215 39		
Subscriptions to capital stock.....	250,000 00	250,000 00		
Cash and current assets.....	432 05	94,509 56	94,077 51	
Grand total.....	\$2,506,573 40	\$2,601,805 01	95,231 61	

LIABILITIES	June 30, 1907 Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908	
			Increase.	Decrease.
Capital stock.....	\$750,000 00	\$750,000 00		
Funded debt.....	1,500,000 00	1,500,000 00		
Current liabilities.....	6,573 40	7,415 81	\$842 41	
Subscriptions to capital stock.....	250,000 00	250,000 00		
Accrued interest on funded debt not yet payable.....		45,000 00	45,000 00	
Profit and loss.....		49,389 20	49,389 20	
Grand Total.....	\$2,506,573 40	\$2,601,805 01	\$95,231 61	

## SPOKANE INTERNATIONAL RAILWAY CO.

## HISTORY.

The Spokane International Railway Company was organized January 16, 1905, under the laws of the States of Washington and Idaho. It has never been consolidated or reorganized.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
D. C. Corbin.....	Spokane, Wash.....	July 18, 1908
Albert Allen.....	Spokane, Wash.....	July 18, 1908
Geo. H. Martin.....	Spokane, Wash.....	July 18, 1908
F. D. Allen.....	Spokane, Wash.....	July 18, 1908
A. H. Sperry.....	Spokane, Wash.....	July 18, 1908
Austin Corbin.....	Spokane, Wash.....	July 18, 1908
J. K. O. Sherwood.....	New York City.....	July 18, 1908
Alfred C. Chapin.....	New York City.....	July 18, 1908
Chester W. Chapin.....	New York City.....	July 18, 1908

At the date of the last election the total number of stockholders was 67. The last meeting of stockholders for the election of directors was held July 20, 1907.

## OFFICERS.

TITLE.	Name.	Official Address.
President .....	D. C. Corbin.....	Spokane, Wash.
Vice President.....	Austin Corbin 2nd.....	Spokane, Wash.
Secretary and Treasurer.....	Alfred C. Chapin.....	New York City
Attorney .....	Albert Allen.....	Spokane, Wash.
Auditor .....	Geo. H. Martin.....	Spokane, Wash.
Assistant Auditor.....	J. Carl Williams.....	Spokane, Wash.
Chief Engineer.....	E. G. Taber.....	Spokane, Wash.
Superintendent .....	E. J. Roberts.....	Spokane, Wash.
General Freight Agent.....	Geo. H. Martin.....	Spokane, Wash.
Ass't Gen. Freight Agent....	A. H. Sperry.....	Spokane, Wash.
General Passenger Agent....	Geo. H. Martin.....	Spokane, Wash.
Ass't Gen. Pass. Agent.....	A. H. Sperry.....	Spokane, Wash.

## CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Cash .....	\$28,421 13
Due from agents.....	47,111 11
Due from solvent companies and individuals.....	26,276 82
Balance current liabilities.....	767,046 34

Total ..... \$868,855 40

Material and supplies on hand not included above \$12,127.01.

*Current liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$639,999 99
Audited vouchers and accounts.....	58,903 58
Wages and salaries.....	24,645 65
Traffic balances due to other companies.....	98,061 04
Miscellaneous .....	47,245 14

Total ..... \$868,855 40

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907.	June 30, 1908.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road.....	\$8,646,858 80	\$8,745,451 52	\$98,597 72	.....
Cost of equipment .....	.....	776 54	776 54	.....
Cash and current assets.....	64,406 45	101,809 06	37,402 61	.....
Materials and supplies .....	6,264 71	12,172 01	5,907 30	.....
Profit and loss .....	801,126 18	406,646 27	107,520 14	.....
Grand total.....	\$9,018,651 09	\$9,268,855 40	\$250,204 31	.....

LIABILITIES.	June 30, 1907.	June 30, 1908.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock.....	\$4,200,000 00	\$4,200,000 00	.....	.....
Funded debt .....	4,200,000 00	4,200,000 00	.....	.....
Current liabilities .....	618,651 09	868,855 40	\$250,204 31	.....
Grand total .....	\$9,018,651 09	\$9,268,855 40	\$250,204 31	.....



## SPOKANE UNION DEPOT COMPANY.

### HISTORY.

The Spokane Union Depot Company was organized December 10, 1900, under the laws of the State of Oregon.

Title 1 of chapter XXXII of Bill's Annotated Laws of Oregon (1887), comprising sections 3217 to 3238, both inclusive, as amended by the following acts of the Legislative Assembly of Oregon:

Act approved February 20, 1891, amending section 3218 above named (Laws 1891, page 110).

Act of February 20, 1893, amending section 3224 above named (Laws 1893, page 62).

Act of February 27, 1901, amending section 3224 (Laws 1901, page 306).

Act of February 21, 1893, amending section 3238 above named (Laws 1893, page 112).

Bellinger & Cotton's Annotated Codes and Statutes of Oregon, sections 5052 to 5073, and Laws of 1903, of the State of Oregon, pages 39, 41 and 212, and Laws of Oregon, 1905, pages 111, 299, 300 and 325.

This company has never been consolidated or reorganized.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
E. H. Harriman.....	New York City.....	Term expires first Thursday in September, 1908, or when successors are elected and qualified.
W. D. Cornish.....	New York City.....	
R. L. Lovett.....	New York City.....	
H. F. Connor.....	Portland, Ore.....	
W. W. Cotton.....	Portland, Ore.....	
Wm. Crooks.....	Portland, Ore.....	
J. P. O'Brien.....	Portland, Ore.....	
A. C. Spencer.....	Portland, Ore.....	
J. G. Wilson.....	Portland, Ore.....	

At the date of the last election the total number of stockholders was 10. The last meeting of stockholders for the election of directors was held September 5, 1907. The postoffice address of the general office is Portland, Oregon, and that of the operating office is the same.

## OFFICERS.

TITLE.	Name.	Official Address.
Chairman of the Board.....	E. H. Harriman.....	New York City
President .....	E. H. Harriman.....	New York City
Vice President .....	W. D. Cornish.....	New York City
Secretary .....	W. P. Litzenberg.....	Portland, Ore.
Treasurer .....	F. V. S. Crosby.....	New York City
Assistant Secretary.....	Allen Millar.....	New York City
General Attorney.....	W. W. Cotton.....	Portland, Ore.
Comptroller .....	Wm. Mahl.....	New York City
Ass't Comptroller.....	H. S. Bradt.....	New York City
General Auditor.....	Erastus Young.....	Omaha, Neb.
Auditor .....	R. Blaisdell.....	Portland, Ore.

## CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Balance current liabilities.....	\$371,553 66
<b>Total .....</b>	<b>\$371,553 66</b>

*Current liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$250,000 00
Audited vouchers and accounts.....	121,553 66
<b>Total .....</b>	<b>\$371,553 66</b>

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road.....	\$454,952 54	\$496,558 66	\$41,601 12	.....
<b>Total.....</b>	<b>\$454,952 54</b>	<b>\$496,558 66</b>	<b>\$41,601 12</b>	<b>.....</b>

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock.....	\$125,000 00	\$125,000 00	.....	.....
Current liabilities.....	329,952 54	371,558 66	\$41,601 12	.....
<b>Total.....</b>	<b>\$454,952 54</b>	<b>\$496,558 66</b>	<b>\$41,601 12</b>	<b>.....</b>

## TACOMA EASTERN RAILROAD CO.

## HISTORY.

The Tacoma Eastern Railroad Company was originally organized July 14, 1890, under the laws of the State of Washington, and reorganized February 17, 1903, for the purpose of increasing the capital stock from \$250,000 to \$1,500,000.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
W. M. Ladd.....	Portland, Ore.....	Second Tuesday in January, 1909.
Chas. E. Ladd.....	Portland, Ore.....	
Edward Cookingham.....	Portland, Ore.....	
John Bagley.....	Tacoma, Wash.....	
R. B. Smith.....	Tacoma, Wash.....	
L. J. Pentecost.....	Tacoma, Wash.....	
E. M. Hayden.....	Tacoma, Wash.....	

At the date of the last election the total number of stockholders was 8. The last meeting for the election of directors was held January 14, 1908. The postoffice address of the general office is Tacoma, Washington, and that of the operating office is Tacoma, Washington.

## OFFICERS.

TITLE.	Name.	Official Address.
Chairman of Board.....	Edward Cookingham....	Portland, Ore.
President .....	Edward Cookingham....	Portland, Ore.
First Vice President.....	John Bagley.....	Tacoma, Wash.
Secretary .....	E. M. Hayden.....	Tacoma, Wash.
Treasurer .....	L. J. Pentecost.....	Tacoma, Wash.
Auditor .....	Samuel Wilson.....	Tacoma, Wash.
General Manager.....	John Bagley.....	Tacoma, Wash.
General Superintendent.....	G. F. Wentworth.....	Tacoma, Wash.
General Freight Agent.....	Samuel Wilson.....	Tacoma, Wash.
General Passenger Agent....	Samuel Wilson.....	Tacoma, Wash.

## CURRENT ASSETS AND LIABILITIES, JUNE 30, 1908.

*Cash and current assets available for payment of current liabilities:*

Cash .....	\$35,367 51
Due from agents.....	5,012 01
Due from solvent companies and individuals.....	6,438 56
Prepaid insurance .....	3,256 36
Accrued taxes .....	3,485 43
Balance current liabilities.....	1,088,324 89

Total ..... \$1,141,884 76  
Materials and supplies on hand not included above \$39,009.01.

*Current liabilities accrued to and including June 30, 1908:*

Loans and bills payable.....	\$1,057,359 39
Audited vouchers and accounts.....	47,888 95
Wages and salaries.....	9,023 27
Equipment replacement accounts.....	26,212 51
Miscellaneous .....	893 64
Accrued interest .....	507 00

Total ..... \$1,141,884 76

## COMPARATIVE GENERAL BALANCE SHEET, JUNE 30, 1908.

ASSETS.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Cost of road .....	\$2,484,990 41	\$2,715,889 04	\$230,898 63	.....
Cost of equipment .....	542,589 02	589,252 08	.....	\$3,886 99
General expenditures.....	251,815 01	268,162 40	16,837 39	.....
Cash and current assets.....	52,845 01	58,559 87	714 86	.....
Materials and supplies.....	71,328 39	39,009 01	.....	\$2,819 38
Grand total.....	\$3,408,067 84	\$3,615,862 35	\$212,794 51	.....

LIABILITIES.	June 30, 1907. Total.	June 30, 1908. Total.	YEAR ENDING JUNE 30, 1908.	
			Increase.	Decrease.
Capital stock .....	\$1,500,000 00	\$1,500,000 00	.....	.....
Funded debt.....	884,000 00	884,000 00	.....	.....
Current liabilities.....	900,754 71	1,141,884 76	\$241,130 05	.....
Profit and loss.....	118,313 13	89,977 59	.....	\$28,335 54
Grand total.....	\$3,408,067 84	\$3,615,862 35	\$212,794 51	.....

**SYNOPSIS OF THE ANNUAL REPORT OF THE GREAT NORTHERN EXPRESS COMPANY, as Rendered to the Railroad Commission of Washington, for the year ending June 30, 1908.**

**HISTORY AND ORGANIZATION.**

The Great Northern Express Company was organized January 1, 1892, under the laws of the State of Minnesota, and is not a consolidated or reorganized company.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
R. I. Farrington.....	St. Paul, Minn.....	October, 1908
L. W. Hill.....	St. Paul, Minn.....	October, 1908
E. Sawyer.....	St. Paul, Minn.....	October, 1908
J. M. Gruber.....	St. Paul, Minn.....	October, 1908
W. W. Broughton.....	St. Paul, Minn.....	October, 1908

The total number of stockholders at the date of the last election was six, and date of last meeting for election of directors was held October 10, 1907. The postoffice address of the general office of the company is St. Paul, Minn., and the general office in Washington is Spokane, F. L. Clark, Jr., General Western Agent.

NAMES OF OFFICERS.	TITLE.	Location of Office.
R. I. Farrington.....	President .....	St. Paul, Minn.
L. W. Hill.....	Vice President.....	St. Paul, Minn.
E. Sawyer.....	Secretary and Treasurer.....	St. Paul, Minn.
D. S. Elliott.....	General Manager.....	St. Paul, Minn.
R. Stewart.....	Superintendent .....	St. Paul, Minn.
G. A. Gates.....	Auditor .....	St. Paul, Minn.
F. L. Clark, Jr.....	General Western Agent..	Spokane, Wash.

**CAPITAL STOCK.**

Number of shares authorized, 10,000.  
 Par value of shares, \$100 each.  
 Total par value authorized, \$1,000,000.00.  
 Total amount issued and outstanding, \$1,000,000.00.  
 Dividends declared, \$450,000.00; 45 per cent.

**LANDS AND BUILDINGS OWNED BY EXPRESS COMPANY IN WASHINGTON.**

Where located: Wenatchee.  
 Value, \$667.78. Total, \$667.78.

## ANNUAL REPORT OF GREAT NORTHERN EXPRESS COMPANY.

## ROUTES OVER WHICH EXPRESS COMPANY OPERATES IN WASHINGTON.

NAMES OF RAILROADS AND BOAT LINES	TERMINALS.		MILEAGE.	
	From	To	Entire Line.	In Wash- ington
Great Northern Railway and branches .....	St. Paul.....	Seattle.....	6,608.11	792.13
Butte, Anaconda & Pac. Ry...	Butte, Mont.....	Anaconda.....	25.90	.....
C. B. & Q. R'y .....	Stoux City, Ia ...	O'Neil, Neb ...	129.92	.....
Coeur d'Alene Spokane R'y...	Spokane.....	Hayden Lake...	39.63	18.16
Spokane & Inland R'y.....	Spokane.....	Palouse.....	75.20	75.20
.....	Spring Valley...	Colfax.....	36.66	36.66
Olympia & Tacoma Nav. Co...	Seattle.....	Olympia.....	50.00	50.00
Col. & P. S. Nav. Co.....	Seattle.....	Tacoma.....	26.00	26.00
P. S. Nav. Co.....	Seattle.....	Victoria.....	90.90	60.60
Kootenay R'y & Nav. Co.....	Nelson.....	Kaslo.....	45.00	.....
Total.....	.....	.....	7,121.42	1,058.15

CONTRACTS AND AGREEMENTS WITH TRANSPORTATION LINES IN THE  
STATE OF WASHINGTON.

## Paid for transportation facilities to—

Olympia &amp; Tacoma Transportation Co., \$20.00 per month.

Columbia River &amp; Puget Sound Navigation Co., \$50.00 per month.

Puget Sound Navigation Co., \$50.00 per month.

Great Northern Railway Co., 40 per cent. of gross receipts.

Except Spokane Falls &amp; Northern Railway, which we pay 50 per cent. of gross receipts.

Courer d'Alene &amp; Spokane Railway Co., 50 per cent. of gross earnings.

Spokane &amp; Inland Railway Co., 50 per cent. of gross earnings.

## VALUE OF EXPRESS PROPERTY IN WASHINGTON.

## At stations exclusive of land and buildings—

	Amount.	Total.
Horses .....	\$6,827 50	
Wagons and harness.....	7,058 99	
Safes and chests.....	3,387 16	
Office furniture .....	4,678 03	
Other property .....	3,130 84	
		\$25,062 52

## On routes (in boats and cars)—

Safes and chests.....	\$851 40	
Other property .....	229 30	
		1,080 70

## Lands and buildings owned in state—

Building at Wenatchee.....	667 78
Safes, chests and furniture, Spokane agent's office...	207 60

Total of all property in state..... \$27,018 60

## CURRENT ASSETS AND LIABILITIES—ENTIRE LINE.

## Assets—

Cash .....	\$90,294 40
Due from solvent companies and individuals.....	697,448 03
Due from agents and messengers.....	77,743 48
Traffic balances due from other companies.....	1,798 70

Total ..... \$867,284 61

## Liabilities—

Miscellaneous .....	\$161,169 81
---------------------	--------------

Total ..... \$161,169 81

## BALANCE SHEET—ENTIRE LINE.

<b>Assets—</b>		
Advance payments under contracts.....	\$360,000	00
Equipment and property.....	69,256	21
Cash and other currents assets.....	867,284	61
Total .....	\$1,296,540	82
<b>Liabilities—</b>		
Capital stock .....	\$1,000,000	00
Current liabilities.....	161,169	81
<b>Reserves—</b>		
Insurance fund .....	\$6,674	46
Fund for extraordinary losses.....	100,000	00
	106,674	46
Profit and loss.....	28,696	55
Total .....	\$1,296,540	82

## EARNINGS.

	Entire Line.	In Washing- ton only.
From money orders.....		\$2,939 26
From transportation of money and other valuable valuable packages and freight.....		256,259 99
Total .....		\$259,199 25

## EXPENSES.

	Entire Line.	In Washing- ton only.
Contracts with railroads.....		\$108,674 17
Salaries of officers.....		2,217 14
Salaries of employes.....		98,937 78
Loss of money and other valuables and freight.....		9,746 60
Insurance .....		668 25
Rents .....		11,551 42
Taxes .....		13,215 56
Miscellaneous .....		18,956 17
Total operating expenses.....		\$266,945 36
Percentage of operating expenses to gross earning..		102 99
Net loss .....		7,746 11

Total expenses in Washington on all business done in the state.

We have no way of determining what proportion applies to business transacted wholly within the state.

## INCOME ACCOUNT—ENTIRE LINE.

Gross earnings from operation.....	\$1,968,997	69
Less operating expenses.....	660,081	57
	\$1,308,916	12
Payments to railroads and other transportation companies .....	846,473	51
Income from operations.....	\$462,442	61
Dividends, 45 per cent. on stock.....	\$450,000	00
Surplus from operation, year ending June 30, 1908.....	12,442	61
Surplus brought forward from previous period.....	16,253	94
Surplus on June 30, 1908.....	28,696	55

**SYNOPSIS OF THE ANNUAL REPORT OF THE NORTHERN  
EXPRESS COMPANY, as Rendered to the Railroad Commission  
of Washington, for the year ending June 30, 1908.**

**HISTORY AND ORGANIZATION.**

The Northern Pacific Express Company was organized June 1, 1883, under the laws of the State of Minnesota, and was re-organized June 1, 1906, under the laws of the State of New Jersey and renamed the Northern Express Company. The Northern Express Company is not a consolidated company.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
Howard Elliott.....	St. Paul, Minn.....	October 7, 1908
James N. Hill.....	34 Nassau St., New York City.....	October 7, 1908
J. M. Hannaford.....	St. Paul, Minn.....	October 7, 1908
C. W. Bunn.....	St. Paul, Minn.....	October 7, 1908
Geo. H. Earl.....	35 Nassau St., New York City.....	October 7, 1908

The total number of stockholders at the date of the last election was six, and date of last meeting for election of directors was October 2, 1907. The postoffice address of the general office of the company is St. Paul, Minn. Postoffice address of general office of Washington is Tacoma, Wash.

NAMES OF OFFICERS.	TITLE.	Location of Office.
J. M. Hannaford.....	President .....	St. Paul, Minn.
James N. Hill.....	Vice President.....	New York City
C. A. Clark.....	Treasurer .....	St. Paul, Minn.
R. H. Relf.....	Secretary .....	St. Paul, Minn.
H. A. Gray.....	Comptroller .....	St. Paul, Minn.
E. K. Pnnett.....	Auditor .....	St. Paul, Minn.
C. B. Cooper.....	General Superintendent...	St. Paul, Minn.
W. S. Hay.....	Superintendent .....	St. Paul, Minn.
M. G. Hall.....	Superintendent .....	Portland, Ore.
Geo. H. Earl.....	Ass't Secretary.....	New York City
Geo. H. Earl.....	Ass't Treasurer.....	New York City

**CAPITAL STOCK.**

Number of shares authorized, 50,000.

Par value of shares, \$100 each.

Total par value authorized, \$5,000,000.00.

Total amount issued and outstanding, \$5,000,000.00.

Dividends declared, 8 per cent., \$400,000.00.



## ANNUAL REPORT OF NORTHERN EXPRESS CO.

## ROUTES OVER WHICH EXPRESS COMPANY OPERATES IN WASHINGTON.

NAMES OF RAILROADS AND BOAT LINES.  (List of each railroad and boat line separately and not by systems.)	TERMINALS.		MILEAGE.	
	From	To	Entire Line.	In Wash- ington.
Northern Pacific Ry. Co.	Seattle.....	Franklin.....	5,649.13	1,598.41
Columbia & Puget Sound Ry.	Seattle.....	Franklin.....	84.00	34.00
Spokane, Portland & Seattle Ry.....	Pasco.....	Vancouver.....	282.06	282.06
Shelton Transportation Co.	Olympia.....	Shelton.....	18.00	18.00
Port Orchard Route.....	Seattle.....	Bremerton.....	17.00	17.00
Puget Sound Navigation Co.	Seattle.....	Victoria.....	186.00	186.00
		Pt. Gamble.....		
		Pt. Angeles.....		
Everett Railway, Light & Water Co.....	Everett.....	Snohomish.....	8.00	8.00
Totals.....			6,021.18	2 006.67

CONTRACTS AND AGREEMENTS WITH TRANSPORTATION LINES WITHIN  
STATE OF WASHINGTON.

Northern Pacific Railway Company, agreement July 1, 1906, for 50 years,  
50 per cent. of gross earnings.

Columbia & Puget Sound Railway, agreement July, 1906, for indefinite term,  
40 per cent. of gross earnings.

Shelton Transportation Company, agreement July, 1906, for indefinite term,  
\$25.00 per month.

Port Orchard Route, agreement July, 1906, for indefinite term, \$50.00 per  
month.

Puget Sound Navigation Company, agreement July, 1906, for indefinite term,  
\$125.00 per month.

Everett Railway, Light & Water Company, agreement July, 1906, for in-  
definite term, \$100.00 per month.

NOTE—When 40 per cent. of gross earnings does not equal earnings if ship-  
ment was hauled by freight, then freight charge is allowed. Shipments under  
seven pounds as special traffic matter, rate charges are divided equally.

## VALUE OF EXPRESS PROPERTY IN WASHINGTON.

	Amount.	Total.
At stations exclusive of land and buildings—		
Horses .....	\$10,837 30	
Wagons and harness.....	11,281 33	
Safes and chests.....	8,691 68	
Office furniture .....	2,426 31	
Other property .....	7,213 10	
		\$40,449 72
On routes (in cars and boats)—		
Safes and chests.....	\$530 00	
Other property .....	258 00	
		788 00
Total of all property in state.....		\$41,205 72
No land or buildings owned in the state.		

## CURRENT ASSETS AND LIABILITIES—ENTIRE LINE.

<b>Assets—</b>		
Cash .....	\$407,963	67
Accounts receivable .....	150,000	00
Due from agents .....	98,628	81
Miscellaneous .....	67,125	36
<b>Total .....</b>	<b>\$723,717</b>	<b>84</b>
<b>Liabilities—</b>		
Accounts payable .....	\$256,510	06
Miscellaneous .....	262,978	25
<b>Total .....</b>	<b>\$519,488</b>	<b>31</b>

## BALANCE SHEET—ENTIRE LINE.

<b>Assets—</b>		
Bonds owned .....	\$50,500	00
Equipment .....	177,846	34
Stock owned .....	33,330	15
Current assets .....	723,717	84
Stock subscription .....	11,250	00
Contract with Northern Pacific Express Co. ....	4,800,000	00
<b>Total .....</b>	<b>\$5,796,644</b>	<b>33</b>
<b>Liabilities—</b>		
Capital stock .....	\$5,000,000	00
Current liabilities .....	519,488	31
Profit and loss .....	277,156	02
<b>Total .....</b>	<b>\$5,796,644</b>	<b>33</b>

## EARNINGS.

	Entire Line.	In Washing- ton only.
From money orders .....	\$31,703 53	\$8,777 64
Custom House brokerage fees .....	151 85	
From transportation of money and other valuable packages and also from freight .....	2,777,560 02	None kept.
Miscellaneous income .....	39,903 53	None kept.
<b>Total income .....</b>	<b>\$2,849,318 93</b>	<b>None kept.</b>

## EXPENSES.

	Entire Line.	In Washing- ton only.
Contracts with railroads .....	\$1,369,639 48	None kept.
Salaries of officers .....	20,690 00	None kept.
Salaries of employes .....	559,742 99	None kept.
Maintenance of equipment and stable expenses .....	77,223 72	None kept.
Stationery and printing .....	20,704 89	None kept.
Loss and damage to freight, also loss of money and other valuables .....	24,798 56	None kept.
Insurance .....	2,725 64	None kept.
Legal, general and office expenses .....	33,867 48	None kept.
Rents .....	46,747 18	None kept.
Miscellaneous .....	9,290 64	None kept.
<b>Total operating expenses .....</b>	<b>\$2,165,430 58</b>	
Excess earnings .....	643,984 82	
Less taxes .....	18,028 88	
<b>Net earnings .....</b>	<b>\$625,955 94</b>	
Percentage of operating expenses to gross earnings, .7771.		

## INCOME ACCOUNT—ENTIRE LINE.

Gross earnings from operation.....	\$2,809,415 40	
Less operating expenses.....	\$813,819 98	
Payments to railroads and other transportation companies .....	1,369,639 48	
	<u>2,183,459 46</u>	
Income from operations.....	\$625,955 94	
Miscellaneous income (Interest received) .....	39,903 53	
	<u>\$665,859 47</u>	
Net income .....	100,000 00	
Extinguishment of contract..	400,000 00	
Dividends, 8 per cent. on stock		
Surplus from operation, year ending June 30, 1907..		\$165,859 47
Surplus brought forward from previous period.....		111,296 55
Surplus on June 30, 1908.....		<u>277,156 02</u>

**SYNOPSIS OF THE ANNUAL REPORT OF THE WESTERN EXPRESS COMPANY, as Rendered to the Railroad Commission of Washington, for the year ending June 30, 1908.**

## HISTORY AND ORGANIZATION.

The Western Express Company was organized October 30, 1894, under the laws of the State of Wisconsin, chapter 86 of the Revised Statutes thereof, and is not a consolidated or re-organized company.

NAMES OF DIRECTORS.	Postoffice Address.	Date of Expiration of Term.
E. Pennington.....	Minneapolis, Minn.....	October 30, 1908
W. F. Fitch.....	Marquette, Mich.....	October 30, 1908
W. L. Martin.....	Minneapolis, Minn.....	October 30, 1908
H. B. Dike.....	Minneapolis, Minn.....	October 30, 1908
A. B. Eldredge.....	Marquette, Mich.....	October 30, 1908

The total number of stockholders at the last election was 7, which election was held October 30, 1907. The postoffice address of the general office of the company is at Superior, Wisconsin, and has no general office in Washington. R. Helme, superintendent at Vancouver, B. C., is the officer in charge of the business for the State of Washington.

NAMES OF OFFICERS.	TITLE.	Location of Office.
E. Pennington.....	President .....	Minneapolis, Minn.
W. F. Fitch.....	Vice President.....	Marquette, Mich.
H. B. Dike.....	Secretary .....	Osceola, Wis.
C. F. Clements.....	Treasurer .....	Minneapolis, Minn.
W. S. Stout.....	General Manager....	Toronto, Ont.
W. H. Burr.....	Auditor .....	Toronto, Ont.
S. A. Davis.....	Superintendent .....	St. Paul, Minn.
H. L. Meyer.....	Sup't of Tariffs.....	Toronto, Ont.
R. Helme.....	Sup't Wash'n Div....	Vancouver, B. C.

## CAPITAL STOCK.

Number of shares authorized, 1,000.  
 Par value of shares, \$100.00 each.  
 Total par value authorized, \$100,000.00.  
 Total amount issued and outstanding, \$50,000.00.  
 No dividend declared last year.

## ROUTES OVER WHICH WESTERN EXPRESS CO. OPERATE IN WASHINGTON.

NAMES OF RAILROADS AND BOAT LINES. (List of each railroad and boat line in Washington separately and not by "systems.")	TERMINALS.		MILEAGE.	
	From	To	Entire Line.	In Wash- ington.
Bellingham Bay & British Columbia Ry.....	Bellingham.....	Glacier.....	44.04	44.04
Spokane & British Columbia Ry.....	Internat'l B'd'y..	Republic.....	37.00	37.00
Spokane & International Ry..	Spokane.....	Eastport, Ida.....	141.00	18.05
Idaho & Wash'n Northern.....	Spokane.....	Newport.....	41.00	41.00
Total .....			268.04	140.09

## CONTRACTS AND AGREEMENTS WITH TRANSPORTATION LINES IN THE STATE OF WASHINGTON.

Paid for transportation facilities to—

Bellingham Bay & British Columbia Railroad Company, 40 per cent of gross receipts.

Spokane & British Columbia Railway Company, 40 per cent. of gross receipts.

Spokane International Railway Company, 40 per cent of gross receipts.

Idaho & Washington Railroad Company, 40 per cent. of gross receipts.

## VALUE OF EXPRESS COMPANY'S PROPERTY IN WASHINGTON.

Horses .....	\$850 00	
Wagons and harness.....	863 24	
Safes and chests .....	354 50	
Office furniture .....	788 53	
Other property .....	595 59	
Total .....		\$3,449 86
Safes and chests in cars and boats.....	\$156 54	
Other property in cars and boats.....	142 54	
Total .....		\$299 08
Total of all property in state.....		\$3,748 95

## CURRENT ASSETS AND LIABILITIES—ENTIRE LINE.

Assets—		
Cash .....	\$237,819 54	
Due from agents.....	8,091 30	
Miscellaneous .....	8,715 00	
Total .....	\$254,625 84	
Liabilities—		
Miscellaneous .....	\$172,630 26	
Excess of assets over liabilities.....	81,995 58	
Total .....	\$254,625 84	

## EARNINGS.

	Entire Line.	In Washing- ton only.
From money orders.....	\$11,735 56	\$342 45
From freight .....	555,273 91	22,534 41
Total .....	\$567,009 47	\$22,876 86

## EXPENSES.

	Entire Line.	In Washing- ton only.
Contracts with railroads.....	\$290,227 66	\$4,633 95
Salaries of officers and employes.....	154,489 31	7,057 25
Maintenance of equipment.....	18,689 19	868 34
Loss and damage to freight.....	.....	.....
Loss of money and other valuables.....	4,880 52	295 37
Insurance, legal expense, rents, etc.....	34,747 43	3,049 27
Total operating expenses.....	\$511,433 95	\$16,272 77
Net earnings .....	\$55,575 52	\$6,604 09
Per cent. of operating expenses to gross earnings, 90.19.		

## INCOME ACCOUNT—ENTIRE LINE

Gross earnings from operation.....		\$567,009 47
Less operating expenses.....	\$221,208 29	
Payments to railroads and transportation companies .....	290,227 66	
		511,433 95
Income from operation.....		\$55,575 52
No dividends declared.		
Profits .....	\$32,727 53	
Revenue accounts .....	22,847 99	
Surplus from operation, year ending June 30, 1908.		\$55,575 52
Surplus from previous year (revenue account).....	\$59,840 13	
Accumulated profits .....	39,122 96	
		98,963 09
Surplus on June 30, 1908 (revenue account).....	\$82,688 12	
Accumulated profits .....	71,850 49	
		\$164,538 61

## BALANCE SHEET—ENTIRE LINE.

Assets—		
Cash on hand.....		\$237,819 54
Cash in transit.....		8,091 30
Suspense account .....		8,715 00
Property .....		39,854 91
Total .....		\$294,480 75
Liabilities—		
Capital .....		\$50,000 00
Soo Line .....		13,288 72
D. S. S. & A. Ry.....		2,788 72
Due connecting lines.....		15,011 14
Agents' balance .....		1,009 75
Adjustment account (July settlement).....		47,581 36
Money order redemption fund.....		10,262 45
Revenue account .....		82,688 12
Profit and loss.....		71,850 49
Total .....		\$294,480 75

## FINANCIAL STATEMENT.

JANUARY 1, 1907, TO MARCH 31, 1907.	DISBURSEMENTS.		
	Salary.	Expense.	
Balance January 1, 1907.....			\$25,085 91
Commissioner H. A. Fairchild.....	\$1,000 00	\$218 21	
Commissioner J. C. Lawrence.....	1,000 00	240 80	
Commissioner Jesse S. Jones.....	172 00	155 60	
Secretary O. O. Calderhead.....	500 00	166 30	
Clerks and typewriting by folio.....	638 61	7 00	
Office engineer.....	450 00	28 85	
Engineering experts.....	9,998 85	2,045 04	
Rate expert.....		150 00	
Cost of hearings.....		418 45	
Maps.....		1,825 75	
Postage.....		122 00	
Supplies and incidentals.....		481 59	
Furniture and fixtures.....		906 10	
Total salary.....	\$18,754 46		
Total expense.....	\$7,762 69		
Returned to state treasurer.....	3,568 76		25,085 91

## FINANCIAL STATEMENT.

APRIL 1, 1907 TO DECEMBER 31, 1908.	DISBURSEMENTS.		Commis- sioner's Salary.	Secretary's Salary.	Rate Expert Salary.	Engineer's Salary.	General Fund.	Total.
	Salary.	Expense.						
(Appropriation) Receipts.....								
Commissioners.....	\$21,000 00	81,999 63	\$24,000 00	\$4,000 00	\$4,000 00	\$4,000 00	\$42,000 00	\$78,000 00
Secretary.....	3,499 99	116 22						
Rate expert.....	3,425 98							
Engineer (in office).....	8,500 00	5 59						
Engineer experts.....	18,806 05	3,004 71						
Statistical experts.....	3,379 52	1,691 76						
Permanent and temporary clerks, typewriting by folio, Inspector and official stenographer.....	7,508 32	2,352 50						
Cost of hearings.....		2,565 37						
Maps.....		1,079 07						
Postage.....		1,021 00						
Supplies and incidentals.....		2,877 89						
Furniture and fixtures.....		945 20						
Total Disbursements.....			\$21,000 00	\$3,499 99	\$3,425 98	\$3,500 00	\$41,842 88	\$73,268 80
Balances.....			3,000 00	500 01	674 02	500 00	157 17	4,731 20
Totals.....			\$24,000 00	\$4,000 00	\$4,000 00	\$4,000 00	\$42,000 00	\$78,000 00

**TABLE No. 1.**

**MILEAGE OF RAILROADS IN WASHINGTON, GIVING TERMINAL POINTS OF MAIN LINE, BRANCHES AND SPURS, YEAR  
 ENDING JUNE 30, 1907.**

**The following classification and order are observed in the roads given below:**

1. Railroad line represented by capital stock:
  - A. Main line.
  - B. Branches and spurs.
2. Proprietary companies whose entire capital stock is owned by this company.
3. Line operated under lease for specified sum.
4. Line operated under contract, or where the rent is contingent upon earnings or other considerations.
5. Line operated under trackage rights.

NAME.	TERMINALS.		Miles.	Miles of line for each class of roads named.
	From	To		
Bellingham Bay & British Columbia R. R. Co. 1 A. Main line..... 1 B. Branches..... 1 C. Spurs.....	Bellingham..... Hampton.....	Glacier..... Lynden.....	44.16 5.31 10.16	44.16 5.31 10.16
Columbia & Puget Sound Railroad Co. 1 A. Main line..... 1 B. Branches.....	Seattle..... Remon..... Maple Valley..... Black Diamond..... Main line..... Main line..... Bruce branch..... Weyerhaeuser spur.....	Franklin..... Coal Creek..... Taylor..... Bruce..... Lake Washington..... Kumner..... Lawson Mine..... Camp No. 4.....	33.62 7.33 9.79 2.02 74 1.67 80 2.14	33.62 7.33 9.79 2.02 74 1.67 80 2.14
Columbia & Red Mountain Railway Co. 1 A. Main line.....	Northport.....	International boundary	7.51	7.51
Great Northern Railway Co. 2. Seattle & Montana R. R.....	Seattle..... In Seattle through tunnel..... Anacortes..... Bellville..... Idaho state line..... Lowell.....	International boundary..... Rockport..... Samish Lake..... Everett..... Delta.....	120.22 2.26 66.03 11.83 362.76 2.75	191.89 352.76 2.75
3. St. Paul, Minneapolis & Manitoba Ry..... 5. Northern Pacific Ry.....	Total mileage, 547.39			



TABLE NO. 1.—MILEAGE OF RAILROADS IN WASHINGTON.—CONTINUED.

NAME.	TERMINALS.		Miles.	Miles of line for each class of roads named.
	From	To		
<b>Illwaco Railroad Co.</b>				
I. A. Main line	Ilwaco	Nahcotta	15.26	15.26
<b>Northern Pacific Railway Co.</b>				
I. A. Main line	Idaho state line	Wallula junction	179.06	
	Pasco junction	Tacoma	250.38	
	Tacoma	Oregon state line } Incl'ds. 49 m.	105.48	
	Auburn	Sumas	148.06	
	22d street line	Tacoma	1.96	
	Colorado street line	Seattle	2.77	687.68
<b>I. B. Branches and spurs—</b>				
Palouse and Lewis-on branch	Marshall junction	Idaho state line	84.04	
Farmington branch	Belmont	Farmington	5.88	
Genesee branch	Pullman junction	Idaho state line	20.84	
Sunnyside branch	Sunnyside junction	Grand View	20.15	
Roslyn branch	Clealum	Ronald	6.41	
Buckley line	Palmer junction	Meeker	38.57	
Green River branch	Kanasket	End of track	14.79	
Burnett branch	Cascade junction	Pitsburg	8.53	
Wilkeson branch	Cascade junction	Wilkeson and Fairfax	16.62	
Crocker branch	Crocker	Wingate	5.44	
Orting branch	Orting	Puyallup	7.60	
Snoqualmie branch	Woodinville	Salial	39.19	
Everett branch	Snohomish	Everett	11.41	
Olympia branch	Lakeview	Centralia	56.43	
Grays Harbor branch	Gate	Ocosta	53.04	
Elma branch	Elma	Simpson	9.99	
Peninsular branch	Aberdeen junction	Moclips	84.68	
Cosmopolis branch	Cosmopolis junction	Cosmopolis	1.81	
South Bend branch	Chehalis	South Bend	56.68	
Darrington branch	Arlington	Darrington	28.08	
Vancouver branch	Kalama	Vancouver	29.81	
Yacolt branch	Vancouver junction	Yacolt	27.80	
Bellingham branch	Wickersham	Bellingham	22.74	
Monte Cristo	Hartford	Monte Cristo	42.12	
Seattle belt line	Woodinville	Black River junction	24.11	
Spokane & Seattle Railway	Medical Lake	Davenport	18.18	
Tacoma tide flats	Main line spurs		1.06	
	Branch line spurs		69.27	
	Cheney	Adrian	67.89	
			130.63	
<b>2. Washington Central Railway</b>				811.11
Total mileage, 1,629.42				130.63

TABLE NO. 1.—MILEAGE OF RAILROADS IN WASHINGTON.—CONTINUED.

NAME.	TERMINALS.		Miles.	Miles of line for each class of roads named.
	From	To		
The Oregon Railroad & Navigation Co.				
1 A. Main line.....	Oregon state line.....	Wallula.....	6.86	
	Grange City junction.....	La Crosse.....	28.99	
	Farmington.....	Spokane.....	47.84	
	Winona.....	Seltice.....	60.42	148.61
1 B. Branches and spurs—				
	Oregon state line.....	Walla Walla.....	4.64	
	Walla Walla.....	Granger City junction.....	62.11	
	Bolles.....	Turner.....	26.06	
	Starbuck.....	Pomeroy.....	80.00	
	Fairfield.....	Waverly.....	4.76	
	Tekoa.....	Idaho state line.....	2.13	118.60
	Connell.....	Idaho state line.....	114.96	
	Colfax.....	Farmington.....	27.49	
	Wallula.....	Walla Walla.....	80.18	172.62
	Wallula.....	Grange City junction.....	65.85	65.85
2. Columbia & Palouse Railroad Co.				
Walla Walla & Columbia River R. R. Co.				
4. Snake River Valley Railroad Co.				
Total mileage, 500.68				
The Port Townsend & Southern R. R. Co.				
6 A. Main line.....	Olympia.....	Tenino.....	15.00	
	Port Townsend.....	Quilcene.....	26.20	41.20
Spokane Falls & Northern Railway Co.				
1 A. Main line.....	Spokane.....	International boundary.....	180.51	180.51
5. Great Northern Railway Co.	Hillyard.....	Colbert.....	8.77	8.77
Total mileage, 139.23				
Spokane International Railway Co.				
1 A. Main line.....	Spokane.....	Idaho state line.....	13.50	13.50
Total mileage, 13.50				
Seattle Southeastern Railway Co.				
1 A. Main line.....	Kangley.....	Camp 5 junction.....	4.60	4.60
Total mileage, 4.60				
Tacoma Eastern Railroad Co.				
1 A. Main line.....	Tacoma.....	Mineral.....	68.70	
	Mineral.....	Tilton.....	6.60	
	Tilton.....	Glenavon.....	2.70	
1 B. Electron branch.....	Kapowsin.....	Electron.....	2.10	62.90
Ashford branch.....	Park junction.....	Ashford.....	5.72	
Tanwax branch.....	Tanwax junction.....	End of track.....	2.08	
East Creek branch.....	East Creek junction.....	Ladd.....	2.91	12.81
	Traffic spur.....		7.29	7.29
Total mileage, 88.00				

TABLE NO. 1.—MILEAGE OF RAILROADS IN WASHINGTON.—CONCLUDED.

NAME.	TERMINALS.		Miles.	Miles of line for each class of roads named.
	From	To		
Washington & Columbia River Railway Co.				
1 A. Main line.....	Oregon state line.....	Dayton.....	96.05	96.05
1 B. Eureka Flat branch.....	Eureka junction.....	Pleasant View.....	19.78	19.78
Total mileage, 128.91	Mill Creek junction.....	Tracy.....	6.18	25.86
Washington & Great Northern Railway Co.				
1 A. Main line.....	Marous.....	Laurier (international bdry.) ..	27.66	27.66
1 B. Branches .....	Denville.....	International boundary.....	25.18	25.18
Total mileage, 111.72	International boundary.....	Oroville.....	27.82	80.61
Total miles in Washington .....	Curlew.....	End of line.....	81.11	81.11
				8,840.71

TABLE NO. 2.

## MILEAGE OF RAILROADS IN WASHINGTON, GIVING TERMINAL POINTS OF MAIN LINE, BRANCHES AND SPURS, YEAR ENDING JUNE 30, 1908.

The following classification and order are observed in the roads given below:

1. Railroad line represented by capital stock:
  - A. Main line.
  - B. Branches and spurs.
2. Proprietary companies whose entire capital stock is owned by this company.
3. Line operated under lease for specified sum.
4. Line operated under contract, or where the rent is contingent upon earnings or other considerations.
5. Line operated under trackage rights.

NAME.	TERMINALS		Miles.	Miles of line for each class of roads named.
	From.	To		
Bellingham Bay & British Columbia R. R. Co.				
1 A. Main line.....	Bellingham.....	Glacier.....	44.16	44.16
1 B. Branch line.....	Hampton.....	Lynden.....	5.31	5.31
Spurs.....			10.16	10.16
Total mileage, 59.63				
Columbia & Puget Sound Railroad Co.				
1 A. Main line.....	Seattle.....	Franklin.....	33.62	33.62
1 B. Branches.....	Renton.....	Coal Creek.....	7.88	
	Maple Valley.....	Taylor.....	9.13	
	Black Diamond.....	Bruce branch.....	2.02	
	Main line.....	Lake Washington.....	.75	
	Main line.....	Kumner.....	1.67	
	Bruce branch.....	Lawson.....	.80	
Weyerhaeuser spur.....		Camp No. 4.....	2.15	
Total mileage, 57.97				24.35

TABLE NO. 2—MILEAGE OF RAILROADS IN WASHINGTON.—CONTINUED.

NAME.	TERMINALS.		Miles	Miles of line for each class of roads named
	From	To		
Great Northern Railway Co.				
1 A. Main line.....	Idaho state line.	Seattle.	886.91	
	Colbert.....	Inter'n'l boundary at Waneta.....	125.84	
	Northport.....	Inter'n'l boundary at Paterson.....	7.47	
	Marcus.....	Inter'n'l boundary at Laurier.....	27.66	
	Inter'n'l boundary at Danville.....	Republic.....	31.70	
	Curlew.....	Inter'n'l boundary at Midway.....	14.62	
	Inter'n'l boundary near Molson.....	Inter'n'l boundary near Chopaka.....	48.46	
	Everett.....	Inter'n'l boundary at Blaine.....	89.10	
	Anacortes.....	Rockport.....	57.72	
	Hillyard.....	Spokane (old line).....	4.80	789.88
	Republic.....	Eureka Gulch.....	9.80	14.10
	Lowell.....	Delta.....	2.75	2.75
1 B. Branches and spurs.....				
5. Northern Pacific Railway				
Total Mileage, 866.23				
Ilwaco Railroad Co.....	Ilwaco.....	Nahcotta.....	15.28	
1 A. Main line.....	Junction.....	Megler.....	13.89	28.65
Northern Pacific Railway Co.				
1 A. Main line.....	Idaho state line.	Oregon state line.....	520.04	
	Auburn.....	Sumas.....	146.07	
	23rd street line in Tacoma		1.98	
	Proportion joint tracks owned.		1.13	669.22
1 B. Branches:				
Palouse and Lewiston branch.....	Marshall junction.....	Idaho state line.....	84.04	
Genesee branch.....	Pullman junction.....	Idaho state line.....	20.34	
Farmingtton branch.....	Belmont.....	Farmington.....	5.89	
Pasco branch.....	Pasco.....	Walla.....	14.87	
Dayton branch.....	Attalla.....	Dayton.....	86.20	
Pleasant View branch.....	Eureka.....	Pleasant View.....	19.78	
Tracy branch.....	Walla Walla.....	Tracy.....	6.12	
Pendleton branch.....	Hunt's junction.....	Oregon state line.....	10.68	
Sunnyside branch.....	Sunnyside junction.....	Grandview.....	20.09	
Roslyn.....	Cle Elum.....	Ronald.....	5.34	
Buckley.....	Palmer junction.....	Meeker.....	83.57	
Green River.....	Kanaskat.....	End of track.....	14.79	
Burnett.....	Cascade junction.....	Pittsburg.....	3.53	
Wilkeson.....	Cascade junction.....	Wilkeson and Fairfax.....	16.62	



TABLE NO. 2.—MILEAGE OF RAILROADS IN WASHINGTON—CONCLUDED.

NAME.	TERMINALS.		Miles.	Miles of line for each class of roads named.
	From	To		
Oregon Railway & Navigation Co. 1 B. Branches and spurs—(continued):				
2. Columbia & Palouse R. R.....	Tekoa.....	Idaho state line.....	2.13	118.60
	Connell.....	Idaho state line.....	114.96	
	Colfax.....	Farmington.....	27.48	
	Wallula.....	Wallula.....	30.18	
	Oregon, Washington and Idaho.....	Idaho state line.....	71.46	244.08
4. Snake River Valley R. R.....	Texas City.....	Grange City.....	65.85	65.85
Total mileage, 572.14				
Port Townsend & Southern Railroad Co. 1 A. Main line.....	Olympia.....	Tenino.....	15.00	41.20
	Port Townsend.....	Quilcene.....	26.20	
Total mileage, 41.20				
Spokane International Railway Co. 1 A. Main line.....	Spokane.....	Idaho state line.....	18.50	18.50
Total mileage, 18.50				
Seattle Southeastern Railway Co. 1 A. Main line.....	Kangley.....	End of track.....	5.50	5.50
Total mileage, 5.50				
Tacoma Eastern Railroad Co. 1 A. Main line.....	Tacoma.....	Glenavon.....	62.90	62.90
2 B. Branch lines:				
McKenna branch.....	Salsic junction.....	McKenna.....	16.20	
Tanwax branch.....	Tanwax junction.....	End of track.....	2.08	
Electron branch.....	Kapowsia.....	Electron.....	2.10	
Ashford branch.....	Park junction.....	Ashford.....	5.72	
East Creek branch.....	East Creek junction.....	Ladd.....	2.91	
Tram spurs.....			9.48	38.44
Total mileage, 101.84				
Total mileage in Washington.....				3,429.06

TABLE NO. 3.  
MILEAGE OF RAILROADS IN THE STATE OF WASHINGTON FOR THE YEAR ENDING JUNE 30, 1907.

NAME OF RAILROAD COMPANY.	Line represented by capital stock.		Yard track and sidings, miles.				New line constructed during year, miles.				Grand total mileage operated, main line, branches and spurs, leased lines, yards track, sidings and second track .....	
	Miles main line.....	Miles branches and spurs .....	Main line .....	Branches and spur.s ....	Proprietary lines, leased lines under contract trackage rights..	Total yard tracks and sidings .....	Main line .....	Branches and spurs .....	Second track .....	Yard tracks and sidings.	Total construction .....	
Bellingham Bay & British Columbia Railr'd	44.16	15.47	7.56	7.56	7.56	7.56	1.82	0.06	1.88	67.19	1.88	
Columbia & Puget Sound Railroad	33.62	24.99	16.70	16.70	16.70	16.70	1.65	2.96	1.31	75.81	1.31	
Columbia & Red Mountain Railway	7.51	.....	0.52	0.52	0.53	0.53	.....	.....	.....	8.03	.....	
Great Northern Railway	15.26	.....	0.98	3.45	173.55	173.55	.....	.....	.....	724.39	.....	
Great Northern Railway	687.68	811.11	0.98	0.98	81.52	11.13	1.60	0.10	0.10	16.19	.....	
Great Northern Railway	143.61	118.60	23.14	23.14	29.16	71.83	1.60	29.37	65.63	572.56	.....	
Oregon Railroad & Navigation Co. R. R.	41.20	.....	1.83	.....	29.16	1.83	.....	.....	.....	43.03	.....	
Oregon Railroad & Navigation Co. R. R.	130.51	.....	1.60	18.50	1.60	1.60	.....	.....	.....	139.23	.....	
Pt. Townsend Southern Railway	18.50	.....	2.55	.....	2.55	2.55	.....	.....	.....	20.10	.....	
Spokane Falls & Northern Railway	2.55	.....	2.55	.....	.....	2.55	.....	.....	.....	2.55	.....	
Spokane International Railway	4.60	.....	1.00	.....	.....	1.00	.....	.....	.....	5.60	.....	
Spokane Northern Railway	4.60	.....	1.00	.....	.....	1.00	.....	.....	.....	5.60	.....	
Seattle Southern Railway	62.90	20.10	9.64	13.20	.....	9.64	.....	.....	.....	92.64	.....	
Tacoma Eastern Railroad	98.05	25.86	13.66	2.71	.....	13.66	.....	.....	.....	140.23	.....	
Washington & Columbia River Railway	80.61	31.11	13.06	2.90	.....	15.96	27.82	.....	.....	127.68	.....	
Washington & Great Northern Railway	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Totals	1,370.76	1,047.24	46,704.13	71,106.71	213.84	784.26	94.20	0.17	1.60	35.10	1,421.67	

\* Deduct.



TABLE NO. 4.  
MILEAGE OF RAILROADS IN THE STATE OF WASHINGTON FOR THE YEAR ENDING JUNE 30, 1908.

NAME OF RAILROAD COMPANY.	Line repre- sented by capital stock.	Miles lines of proprietary companies .....		Miles line operation under lease contract or trackage rights .....		Total mileage, main line, branches, spurs and leased lines .....		Miles second track .....		Yard track and sidings, miles.		New line constructed during year, miles.		Total construction .....		Grand total mileage operated, main line, branches and spurs, leased lines, yard track, sidings and second track .....	
		Miles main line .....	Miles branches and spurs .....							Main line .....	Branches and spurs.....	Main line .....	Branches and spurs.....				
Bellingham Bay & British Columbia R.R. Co. ....	44.16	15.47				59.63				7.16	.74				.34	67.58	
Columbia & Puget Sound Railroad Co. ....	33.62	24.85				57.97				18.80					1.60	76.27	
Great Northern Railway Co. ....	789.88	14.10		2.75	806.23	9.67	124.09	3.48		2.70					20.64	948.42	
Iwaco Railroad Co. ....	28.65				28.65					2.70					1.50	31.35	
Northern Pacific Railway Co. ....	669.22	988.24		132.44	737.90	46.22	847.91	96.86	14.16	458.48	2.28				47.25	2,242.55	
Oregon Railroad & Navigation Co. ....	41.20				572.14					1.83						572.14	
Port Townsend Southern Railway .....	5.50				41.20					1.00					.90	43.08	
Seattle Southeastern Railway .....	18.50				18.50					4.08					2.48	22.58	
Spoikane International Railway .....	62.90	38.44			101.84					9.17	1.06				.59	111.57	
Tacoma Eastern Railroad .....																	
Totals .....	1,836.74	1,147.20	244.08	201.04	3,429.06	55.89	516.24	101.59	14.16	631.99	55.53			.78	50.87	4,116.94	

\*No report for 1908.

TABLE No. 5.  
STATEMENT OF CAPITAL STOCK AND BONDED INDEBTEDNESS, ENTIRE LINE, FOR YEAR ENDING JUNE 30, 1907.

NAME OF RAILROAD COMPANY.	Capital stock.	Dividends during year.	Funded debt, mortgage bonds, miscellan- eous obligations and income bonds.	Interest accrued during year.	Interest paid during year.	Equipment, trust obligations, am't outstanding	Apportionment of outstanding obligations.		Amount per mile of line.	Total capital stock and bonded in- debtedness	Proportion of cap- ital stock and bonded indebted- ness to mileage in Washington....	Mileage in Wash- ington.....
							To railroads.	To other properties.				
Bellingh'm Bay & British Columbia R. R. ....	\$1,000,000		\$659,000	\$82,950	\$82,950		\$1,659,000		59.63	\$27,822	\$1,659,000	59.63
Col'mbia & Puget Sd R.R.	1,000,000						1,000,000		58.61	17,062	1,000,000	58.61
Columbia & Red Mt. R'y	284,400		291,000	17,460	17,460		555,400		7.51	73,954	555,400	7.51
Great Northern R'y	149,577,500	10,469,661	*107,305,000	Earned	by CH & Q		\$257,190,500				\$257,190,500	547.39
Illwaco Railroad.	152,500		305,000				457,500		15.26	29,980	457,500	15.26
Northern Pacific R'y	155,000,000	10,850,000	294,280,100	7,015,985	7,084,340	36,276,449	449,316,376		5 911.75	57,801	449,316,376	56,051.161
Oregon R. R. & Nav. Co.	35,000,000	440,000	22,025,800	880,880	884,920		57,025,800		589.52	64,109	57,025,800	148.79
Col'mbia & Paluse R.R.	1,000,000		2,829,000				3,829,000		144.80	26,443	3,829,000	282.21
Walla Walla & Col. Riv.	700,000						700,000		35.52	19,707	700,000	142.44
Snake Riv. Valley R.R.	750,000		1,500,000				2,250,000		65.85	34,167	2,250,000	80.18
Col'mbia Southern R'y	300,000		700,000				1,000,000		69.46	14,397	1,000,000	65.85
Col. Riv. & Ore. Cen. Ry	50,000		675,000				725,000		45.31	16,001	725,000	
Pt. Townsend So. Ry	3,000,000		912,000				3,912,000		41.20	94,852	3,912,000	41.20
Spokane Falls & Nor. Ry	2,812,000		2,812,000	168,720	168,720		5,624,000		180.51	43,092	5,624,000	180.51
Spokane Internat'l Ry	4,200,000		4,200,000	210,000	210,000		8,400,000		140.80	60,000	8,400,000	138.50
Spokane Union Depot.	125,000						125,000		2.55	49,019	125,000	2.56
Seattle Eastern R'y	100,000						100,000		4.60	21,739	100,000	4.60
Tacoma Eastern R.R.	1,500,000		884,000	44,200	44,200		2,384,000		83.00	28,728	2,384,000	83.00
Wash. & Col. Riv. Ry	3,000,000		4,865,000	104,800	215,588		7,865,000		168.86	46,577	7,865,000	128.91
Wash. Cen. R'y	1,000,000		1,853,000	74,120	74,120		2,853,000		130.63	21,840	2,853,000	130.63
Wash. & Gt. Nor Ry	2,000,000						2,000,000		100.43	19,914	2,000,000	111.72
Totals.	\$362,531,400	\$21,759,661	\$446,403,900	\$85,549,125	\$85,662,298	\$36,276,449	\$852,803,811	\$257,190,500	8,105.80	\$767,299,609	\$994,311	\$137,022,735.8

\* One half Northern Pacific-Great Northern joint C. B. & Q. collateral bonds, interest being guaranteed by N. P. Ry. and G. N. Ry., but paid by C. B. & Q. for this year.

† Includes one-half N. P. - G. N. joint C. B. & Q. bonds as above.

‡ Does not include mileage Washington Central Ry. branch.

TABLE No. 6.  
STATEMENT OF CAPITAL STOCK AND BONDED INDEBTEDNESS, ENTIRE LINE, FOR YEAR ENDING JUNE 30, 1908.

NAME OF RAILROAD COMPANY.	Capital stock.	Dividends during year.	Funded debt, mortgage bonds, miscellan- eous obligations, and income bonds.	Interest accrued during year.	Interest paid during year.	Apportionment of outstanding obligations.		Amount per mile of line.		Total capital stock and bonded in- debtedness.....	Proportion of cap- ital stock and bonded indebted- ness to mileage in Washington....	Mileage in Wash- ington.....
						To railroads.	To other properties.	Miles.	Am't.			
Bellingham Bay & British Columbia R. R. ....	\$1,000,000	.....	\$659,000	\$32,950	\$32,950	\$1,659,000	.....	59.63	\$27,822	\$1,659,000	\$1,659,000	59.63
Columbia & Puget Sd. R.R. ....	1,000,000	8314,581	4,817,111	4,852,520	4,852,520	1,000,000	.....	57.97	17,250	1,000,000	1,000,000	57.97
Great Northern R'y. ....	203,462,297	10,471,819	*205,081,931	.....	.....	300,931,238	\$114,118,453	6,685.01	45,014	415,081,689	35,291,637	806.23
Ilwaco Railroad. ....	152,500	.....	305,000	18,300	9,150	457,500	.....	28.65	15,969	457,500	457,500	28.65
Northern Pacific R'y. ....	217,831,835	10,850,000	*297,850,500	7,098,907	7,069,571	452,852,739	.....	6,139.00	56,237	452,852,739	97,734,282	+1737.90
Ore. R. R. & Nav. Co. R. R. ....	3,000,000	.....	912,000	54,720	.....	3,912,000	.....	41.20	94,952	3,912,000	3,912,000	41.20
Pt. Townsend So. R'y. ....	100,000	.....	.....	.....	.....	100,000	.....	5.50	21,739	100,000	100,000	5.50
Seattle Southern R'y. ....	4,200,000	.....	4,200,000	210,000	210,000	8,400,000	.....	140.80	60,000	8,400,000	1,110,000	18.50
Spokane International R'y. ....	1,500,000	.....	884,000	44,200	44,200	2,384,000	.....	101.34	23,525	2,384,000	2,884,000	101.34
Tacoma Eastern R. R. ....	1,125,000	.....	.....	.....	.....	125,000	.....	2.55	49,019	125,000	125,000	2.55
Spokane Union Depot. ....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Totals. ....	\$432,421,632	\$21,636,400	\$508,892,431	\$12,276,188	\$12,218,391	\$771,821,475	\$114,113,453	13,261.65	.....	\$885,921,923	\$144,773,419	\$2,859.47

\* Includes one-half N. P. and G. N. joint C. B. & Q. bonds as in 1907.

† Includes mileage Washington Central R'y.

TABLE No. 7.  
ITEMIZED STATEMENT OF EARNINGS FROM OPERATION, STATE OF WASHINGTON, YEAR ENDING JUNE 30, 1907.

NAME OF RAILROAD COMPANY.	PASSENGER EARNINGS.						
	Passenger Revenue.	Less Tickets Redeemed.	Less Excess Fares Refunded.	Less Other Repayments.	Total Deductions.	Total Passenger Revenue.	Express.
Bellingham Bay & British Columbia R. R.	\$62,972 17	\$65 35	\$985 95		\$1,051 80	\$62,972 17	\$1,032 16
Columbia & Puget Sound R. R.	58,941 71					58,941 71	8,129 51
Columbia & Red Mountain Railway	4,202 47					4,202 47	568 53
Great Northern Railway	1,782,405 46					1,782,405 46	184,485 60
Iiwaoo Railroad	15,741 66	20 20	362 80		383 00	15,358 66	102,045 81
Northern Pacific Railway	5,385,075 19	14,046 48		\$2,856 24	16,402 72	5,368,672 47	338,245 17
Oregon Railroad & Navigation Co.							
Port Townsend Southern Railway	16,190 66		2 25		2 25	16,188 41	296 09
Spokane Falls & Northern Railway	302,441 21					302,441 22	18,857 17
Spokane International Railway	3,805 62					3,805 62	
Spokane Union Depot Co.							
Seattle Southeastern Railway							
Tacoma Eastern Railroad	92,448 22	184 60			184 60	92,263 62	6,808 69
Washington & Columbia River Railway	62,616 53	8 16		135 98	144 14	62,472 39	7,001 70
Washington & Great Northern Railway	64,080 89					64,080 89	2,780 43
Totals.....	\$7,845,871 79	\$14,274 79	\$1,351 00	\$2,492 22	\$18,118 01	\$7,827,753 78	\$479,604 66

TABLE No. 8.  
ITEMIZED STATEMENT OF EARNINGS FROM OPERATION, STATE OF WASHINGTON, YEAR ENDING JUNE 30, 1908.

Bellingham Bay & British Columbia R. R.	\$68,992 82					\$68,992 82	\$1,058 88
Columbia & Puget Sound R. R.	58,964 20					58,964 20	8,166 98
Great Northern Railway	2,461,096 56					2,461,096 56	141,303 08
Iiwaoo Railroad	17,514 51					17,514 51	141,289 72
Northern Pacific Railway	6,204,241 53					6,204,241 53	368,180 35
Oregon Railroad & Navigation Co.							
Port Townsend Southern Railway	16,735 66					16,735 66	
Seattle Southeastern Railway							
Spokane International Railway	38,856 91					38,856 91	620 85
Tacoma Eastern	70,392 45					70,392 45	4,853 89
Totals.....	\$8,938,794 74					\$8,938,794 74	\$519,423 70

TABLE NO. 7.—STATEMENT OF EARNINGS FROM OPERATION, STATE OF WASHINGTON, 1907.—CONTINUED

NAME OF RAILROAD COMPANY.	PASSENGER EARNINGS.—Continued.				FREIGHT EARNINGS.		
	Extra Baggage and Storage.	Sleeping Cars and Other Items.	Special Train.	Total Passenger Earnings.	Freight Revenue.	Less Over-charge to Shipper.	Less Other Deductions.
Bellingham Bay & British Columbia R. R.	\$161 60	\$2,586 90	.....	\$69,354 89	\$174,062 44	.....	.....
Columbia & Puget Sound R. R.	40 45	.....	.....	58,242 66	567,264 85	.....	.....
Columbia & Red Mountain Railway	54 12	148 87	.....	5,565 39	19,948 82	.....	.....
Great Northern Railway	27,951 50	90,487 78	.....	2,187,376 15	4,218,408 17	.....	.....
Iiwaco Railroad	84,995 97	96,672 60	.....	16,506 52	20,235 63	\$3 42	\$3 42
Northern Pacific Railroad	84,995 97	96,672 60	.....	6,110,216 24	13,219,995 62	68,301 23	68,301 23
Oregon Railroad & Navigation Co.	.....	.....	.....	.....	.....	.....	.....
Port Townsend Southern Railway	87 22	85 80	.....	18,646 18	23,034 28	.....	.....
Spokane Falls & Northern	2,936 18	6,089 25	.....	850,991 49	567,459 11	.....	.....
Spokane International Railway	.....	.....	.....	3,805 62	21,148 97	.....	.....
Seattle Union Depot Co.	.....	.....	.....	.....	.....	.....	.....
Seattle Southeastern Railway	.....	.....	.....	.....	.....	.....	.....
Tacoma Eastern Railroad	248 65	.....	.....	100,955 89	16,049 82	419 67	419 67
Washington & Columbia River Railway	586 56	.....	.....	76,365 77	294,534 50	244 87	2,528 99
Washington & Great Northern Railway	358 51	71 44	.....	74,180 09	390,135 01	.....	.....
Totals	\$117,506 54	\$196,142 14	\$945 01	\$9,072,206 84	\$19,712,736 08	\$68,969 19	\$2,234 12
							\$71,253 31

TABLE NO. 8.—STATEMENT OF EARNINGS FROM OPERATION, STATE OF WASHINGTON, 1908.—CONTINUED.

Bellingham Bay & British Columbia R. R.	\$224 05	\$2,879 98	\$100 00	\$70,700 00	\$135,622 46	.....	.....
Columbia & Puget Sound R. R.	42 75	4,129 75	253 50	65,743 11	508,959 07	.....	.....
Great Northern Railway	29,810 85	217 59	4,640 50	2,842,632 87	5,578,242 21	.....	.....
Iiwaco Railroad	112 64	.....	42 50	18,650 13	20,686 02	.....	.....
Northern Pacific Railroad	80,112 08	6,516 07	9,441 63	6,888,294 95	13,974,434 16	.....	.....
Oregon Railroad & Navigation Co. R. R.	70 98	73 75	45 00	18,910 98	19,107 25	.....	.....
Port Townsend Southern Railway	.....	.....	.....	.....	.....	.....	.....
Seattle Southeastern Railway	128 79	15 72	36 66	39,653 93	9,292 58	.....	.....
Spokane International Railway	221 60	795 90	409 50	70,981 21	218,280 95	.....	.....
Tacoma Eastern Railroad	.....	.....	.....	.....	.....	.....	.....
Totals	\$110,723 74	\$14,628 76	\$14,969 29	\$10,028,752 10	\$20,530,555 91	.....	.....

TABLE NO. 7.—STATEMENT OF EARNINGS FROM OPERATION, STATE OF WASHINGTON, 1907.—CONTINUED.

NAME OF RAILROAD COMPANY.	FREIGHT EARNINGS.—Continued.				TOTAL FREIGHT PASSENGER EARNINGS.	OTHER EARNINGS.		
	Total Freight Revenue.	Storage and Demurrage.	Wharfrage, Dockage and Other Items.	Total Freight Earnings.		Switching Charges, Balance.	Car per Diem and Mileage Balance.	Hire of Equip- ment Balance.
Bellingham Bay & British Columbia R. R.	\$174,062 44		\$10,905 16	\$184,967 60	\$254,322 49	\$2,063 87	\$91 06	\$2,192 60
Columbia & Puget Sound R. R.	567,264 85			567,264 85	625,567 51			
Columbia & Red Mountain Railway.	19,048 82			19,048 82	25,534 21			
Great Northern Railway	4,213,008 97		15,848 56	4,228,857 53	6,416,137 87	38,096 97		
Iiwaco Railroad.	20,292 21			20,292 21	80,758 73			
Northern Pacific Railway.	13,151,694 89	\$63,719 87	78,015 79	13,313,420 56	19,423,646 29	138,497 23		
Oregon Railroad & Navigation Co.								
Port Townsend Southern Railway	23,024 28			23,024 28	41,680 41			
Spokane Falls & Northern Railway	567,459 71			574,108 09	925,099 58	10,735 70		
Spokane International Railway	21,148 97		6,648 96	27,797 93	24,904 59	875 00		
Spokane Union Depot Co.								
Seattle Southern Railway	16,049 89			16,049 89	16,049 82			
Tacoma Eastern Railroad	294,114 83			294,114 83	396,070 72			\$4,386 00
Washington & Columbia River Railway.	297,608 62	779 96		298,388 57	374,761 74	131 00		
Washington & Great Northern Railway	276,463 86		491 77	276,955 63	300,185 72			
Totals.	\$19,641,462 77	\$84,499 82	\$11,410 25	\$19,837,392 84	\$28,909,599 68	\$200,418 77	\$91 06	\$6,579 10

TABLE NO. 8.—STATEMENT OF EARNINGS FROM OPERATION, STATE OF WASHINGTON, 1908.—CONTINUED

Bellingham Bay & British Columbia R. R.	\$135,622 46	\$234 80		\$135,857 26	\$206,557 97	\$3,991 50	\$2,026 00	
Columbia & Puget Sound R. R.	563,939 07	75	\$1,151 65	565,111 47	570,854 58	16,430 00	1,364 85	
Great Northern Railway	5,578,242 21	14,367 35	10,549 45	5,603,159 01	8,445,791 88	37,055 01	16,379 00	
Iiwaco Railroad.	20,686 02			20,686 02	39,386 15			
Northern Pacific Railway	13,974,434 16	51,196 58	51,585 17	14,077,225 91	20,965,520 86	157,225 25	70,308 00	
Oregon Railroad & Navigation Co.								
Port Townsend Southern Railway	19,107 25			19,107 25	38,018 23	8,453 00		
Seattle Southern Railway	9,292 58		54 00	9,346 58	9,846 58	190 00		
Spokane International Railway	70,931 21	4 83		70,936 04	110,594 97	1,789 00	2,472 00	
Tacoma Eastern Railroad	218,280 85	8 50	364 40	218,648 85	302,809 27	2,983 60	1,588 00	
Totals.	\$20,241,343 75	\$65,807 81	\$63,714 67	\$20,660,078 39	\$30,688,880 49	\$22,811 36	\$94,087 85	

TABLE No. 7.—STATEMENT OF EARNINGS FROM OPERATION, STATE OF WASHINGTON, 1907.—CONCLUDED.

NAME OF RAILROAD COMPANY.	OTHER EARNINGS FROM OPERATION.					GROSS EARNINGS FROM OPERATION IN WASHINGTON.	GROSS EARNINGS FROM OPERATION ENTIRE LINE.
	Telegraph and Telephone Companies	Rents from Tracks, Yards and Terminals.	Rents not Otherwise Provided for.	Dining, Observation and Grill Ctrs	Lunch Stands and Other Sources.		
Bellingham Bay & British Columbia R. R.	\$167 81	.....	\$905 00	.....	\$1,245 00	\$260,987 82	\$260,987 82
Columbia & Puget Sound R. R.	.....	.....	10,276 84	.....	1,626 78	637,811 13	637,811 13
Columbia & Red Mountain Railway.	.....	.....	87,289 01	.....	.....	25,573 21	25,573 21
Great Northern Railway.	494 61	\$14,872 90	52 87	.....	.....	6,576,880 36	50,208,035 10
Iwaco Railroad.	52 87	.....	184 93	.....	219 91	37,976 44	37,976 44
Northern Pacific Railway.	47,342 64	14,649 55	198,544 38	\$35,356 77	25,019 17	19,868,056 08	68,447,453 65
Oregon Railroad & Navigation Co.	.....	.....	240 00	.....	18 00	.....	.....
Port Townsend Southern Railway.	.....	.....	4,278 85	.....	1,975 01	52,694 11	52,694 11
Spokane Falls & Northern Railway.	.....	.....	.....	.....	852 70	981,353 44	981,353 44
Spokane International Railway.	.....	.....	.....	.....	.....	26,682 29	164,677 94
Spokane Union Depot Co.	.....	.....	.....	.....	.....	.....	.....
Seattle Southern Railway.	.....	.....	5,978 55	.....	4,098 34	16,049 82	16,049 82
Tacoma Eastern Railway.	.....	.....	83 50	.....	.....	409,529 11	409,529 11
Washington & Columbia River Railroad.	.....	78 00	.....	.....	.....	374,960 74	450,714 62
Washington & Great Northern Railway.	.....	.....	.....	.....	.....	350,219 22	350,219 22
Totals.....	\$48,057 98	\$29,600 45	\$303,620 06	\$35,356 77	\$34,949 91	\$29,568,273 72	\$121,992,575 61

TABLE No. 8.—STATEMENT OF EARNINGS FROM OPERATION, STATE OF WASHINGTON, 1908.—CONCLUDED.

Bellingham Bay & British Columbia R. R.	\$14 98	.....	\$1,963 00	.....	\$8,532 79	\$223,086 24	\$223,086 24
Columbia & Puget Sound R. R.	.....	.....	22,729 51	.....	9,925 85	621,304 29	621,304 29
Great Northern Railway.	8,269 23	.....	10,061 49	.....	24,333 64	8,536,910 15	54,069,588 74
Iwaco Railroad.	33 40	.....	242 00	.....	844 82	39,955 87	39,955 87
Northern Pacific Railway.	43,789 91	.....	41,309 40	.....	95,003 86	21,373,166 28	68,235,494 17
Oregon Railroad & Navigation Co.	.....	.....	2,658 70	.....	.....	49,129 98	49,129 98
Port Townsend Southern Railway.	.....	.....	40 00	.....	70	9,587 28	9,587 28
Seattle Southern Railway.	17	.....	.....	.....	52 98	114,949 12	641,414 85
Spokane International Railway.	.....	.....	1,802 28	.....	7,093 33	316,787 27	316,787 27
Tacoma Eastern Railroad.	560 79	.....	.....	.....	.....	.....	.....
Totals.....	\$47,677 48	.....	\$30,826 38	.....	\$145,286 87	\$31,284,826 43	\$124,200,238 65

Explanatory.—Owing to change in forms of reports of accounting it is not practicable to compare items of 1908 report with all items of 1907 report.

TABLE NO. 9.

TAXES AND ASSESSMENTS OF ALL KINDS FOR ALL LINES, STATE OF WASHINGTON, YEAR ENDING JUNE 30, 1907,  
FOR REPORTING COMPANIES OWNED AND PROPRIETORY LINES.

NAME OF RAILROAD COMPANY.	AD VALOREM TAX.		On property owned, not used in operation and miscellaneous.	Total.	Mileage of line operated in Washington. (single track).	Per mile of road. (single track).
	On the value of real and personal property.					
Bellingham Bay & British Columbia Railroad.....	\$7,426 06		\$826 59	\$8,252 65	59.63	124 54
Columbia & Puget Sound Railroad.....	16,815 00			16,815 00	58.61	286.90
Columbia & Red Mountain Railway.....	2,014 20			2,014 20	7.51	283.20
Great Northern Railway.....	844,548 93			844,548 93	547.39	629.44
Iwaco Railroad.....	3,406 46			3,406 46	15.26	223.22
Northern Pacific Railway.....	666,837 27	172,732 94		839,571 21	1,629.42	409.24
Oregon Railroad & Navigation Co.....	123,211 82	658 57		123,870 39	500.68	256.07
Port Townsend Southern Railway.....	4,422 96	15 25		4,438 23	41.20	107.35
Spokane Falls & Northern Railway.....	86,185 24			86,185 24	139.28	259.80
Seattle International Railway.....	1,241 60			1,241 60	18.50	69.11
Seattle Southern Eastern R. lway.....						
Tacoma Eastern Railroad.....	11,328 92			11,328 92	83.00	186.50
Washington & Columbia River Railway.....	22,086 34	15 25		22,101 59	123.91	178.25
Washington & Great Northern Railway.....	15,206 75			15,206 75	111.72	136.11
Totals.....	\$125,732 57		\$174,248 60	\$1,433,961 11	3,336.11	

\* Paid by North Coast Timber Co.



TABLE No. 10.  
TAXES AND ASSESSMENTS OF ALL KINDS FOR ALL LINES, STATE OF WASHINGTON, YEAR ENDING JUNE 30, 1908,  
FOR REPORTING COMPANIES OWED AND PROPRIETARY LINES.

NAME OF RAILROAD COMPANY.	AD VALOREM TAX.	On property owned, not used in operation of real and miscellaneous.	Total.	Mileage of line operated in Washington. (single track).	Per mille of road. (single track).
	On the value of real and personal property.				
Bellingham Bay & British Columbia Railroad.....	\$10,954 67	\$208 21	\$11,162 88	59 63	188 87
Columbia & Puget Sound Railroad.....	22,765 49	.....	22,765 49	57 97	392 71
Great Northern Railway.....	457,577 51	.....	457,577 51	806 23	567 55
Ilwaco Railroad.....	3,772 45	.....	3,772 45	28 65	131 67
Northern Pacific Railway.....	1,012,415 06	228,583 50	1,240,948 58	1,737 90	582 55
Port Townsend Southern Railway.....	8,083 37	15 25	3,048 62	41 20	78 63
Seattle Southeastern Railway.....	528 92	.....	528 92	6 60	96 85
Spokane International Railway.....	6,146 76	.....	6,146 76	18 50	382 25
Tacoma Eastern Railroad.....	17,218 88	.....	17,218 88	101 34	169 91
Totals.....	\$1,584,414 13	\$228,756 96	\$1,763,171 09	\$2,856 92	540 49

NOTE.—No report for 1908 for O. R. & N. Co.

TABLE NO. 11.

PASSENGER, FREIGHT AND MILEAGE STATISTICS, STATE OF WASHINGTON, FOR YEAR ENDING JUNE 30, 1907.

NAME OF RAILROAD COMPANY.	Number of passengers carried.	Pasenger revenue.	Average receipts per passenger per mile.	Pasenger earnings per mile of road.	Number of revenue tons of freight carried.	Freight revenue.	Average receipts per ton per mile.	Freight earnings per mile of road.	Total freight and passenger earnings per mile of road.	Total freight and passenger revenue.
Bellingham Bay & British Columbia R. R. Co.	86,983	\$82,972 17	2.750	\$1,163 09	268,270	\$170,062 44	3.079	\$3,101 92	\$4,265 01	237,034 61
Columbia & Puget Sound R. R. Co.	88,399	52,890 41	2.961	983 78	1,077,142	567,264 85	1.971	9,678 63	10,672 36	620,156 26
Columbia & Red Mountain Ry. Co.	15,009	4,202 47	3.728	741 06	98,178	19,948 82	3.067	2,656 80	3,397 86	24,151 29
Great Northern Railway Co.	1,260,861	1,782,405 46	2.501	3,936 01	2,312,656	4,213,403 17	0.923	7,725 30	11,721 31	5,995,808 63
Illwaco Railroad Co.	49,917	15,458 66	4.706	1,081 69	81,884	20,282 21	4.407	1,825 83	2,407 52	35,590 87
Northern Pacific Railway Co.	3,174,563	5,393,672 47	2.394	4,157 63	7,954,873	13,151,694 39	0.944	9,053 97	13,216 60	18,520,366 86
Oregon Railroad & Navigation Co.	22,644	16,138 41	4.914	452 58	40,967	23,034 28	5.349	559 06	1,011 66	38,222 69
Port Townsend Southern Railway Co.	199,459	302,441 21	2.776	2,520 04	504,716	567,459 11	1.723	4,121 97	6,642 01	869,900 82
Spokane Falls & Northern Railway Co.	7,526	3,805 62	0.080	205 71	64,590	21,148 97	1.773	1,143 19	1,348 90	24,954 59
Spokane International Railway Co.										
Spokane Union Depot Co.										
Seattle Southeastern Railway Co.										
Tacoma Eastern Railroad Co.	124,462	92,313 62	3.154	1,411 97	959,509	16,049 82		3,489 09	3,489 09	16,049 82
Washington & Columbia River Railway Co.	74,872	62,472 39	2.827	616 40	304,730	297,606 02	2.573	4,113 49	5,525 46	386,428 45
Washington & Great Northern Railway Co.	66,642	64,080 89	3.180	738 12	201,486	276,463 86	3.905	2,408 09	3,024 49	380,078 41
										3,743 57
Total.	5,170,387	\$7,827,758 78			3,814,001	\$19,641,482 77				\$27,469,236 55

TABLE NO. 11.—Continued.  
PASSENGER, FREIGHT AND MILEAGE STATISTICS, STATE OF WASHINGTON, FOR YEAR ENDING JUNE 30, 1907.

NAME OF RAILROAD COMPANY.	Total other earnings from operation.	Total earnings from operation.	Total operating expenses.	Net earnings from operation.	Percentage of operating expenses to earnings.....	DIVISION OF OPERATING EXPENSES.			
						Maintenance of way and structures.	Maintenance of equipment.	Conducting transportation.	General expenses.
Bellingham Bay & B. C. R. Co.	\$23,953 21	\$260,987 82	\$163,101 07	\$97,886 75	6249	\$47,046 67	\$19,479 61	\$78,246 26	\$18,328 58
Columbia & Puget S'd R. Co.	17,165 87	687,311 13	299,782 00	387,529 13	4704	78,750 46	53,389 39	152,475 34	15,166 81
Columbia & Red M'tn R. Co.	1,421 92	25,573 21	26,876 78	*1,303 57	1 0510	7,828 29	1,833 84	16,256 95	1,963 20
Great Northern Railway Co.	581,071 73	6,576,880 36	4,992,614 72	1,584,265 64	7591	1,436,187 10	652,799 35	2,751,369 60	152,268 67
Ilwaco Railroad Co.	2,885 57	87,976 44	4,377 37	83,599 06	9858	16,808 32	1,996 58	2,17,176 64	1,455 82
Northern Pacific Railway Co.	1,847,689 17	19,868,056 03	11,694,333 24	8,173,722 79	5896	8,362,548 66	1,413,649 76	6,606,280 57	311,904 25
Oregon Railroad & Navigation Co.	13,471 42	52,694 11	42,578 38	10,115 73	8080	23,081 90	1,648 57	15,914 06	1,983 85
Port Townsend & Northern R.R. Co.	61,453 12	931,353 44	551,904 72	379,448 72	5926	138,706 67	59,284 59	333,855 68	20,057 78
Spokane Falls & Northern Ry Co.	1,727 70	26,682 29	40,639 27	*13,956 96	1 5665	26,446 58	1,564 35	10,611 44	1,996 90
Spokane International Ry Co.									
Spokane Union Depot Co.		16,049 82	13,291 46	2,758 36	8281	3,229 90	1,269 21	7,915 37	856 58
Seattle Southeastern Ry Co.	23,100 66	409,529 11	285,762 56	123,766 55	6978	44,811 88	45,863 15	171,667 50	23,415 08
Tacoma Eastern Railroad Co.	14,882 33	374,960 74	179,562 79	195,397 95	4789	50,248 77	15,153 77	103,254 69	10,910 56
Washington & C. R. Ry Co.	10,724 47	350,219 22	152,712 06	197,507 14	4360	38,117 06	17,849 59	88,191 38	8,554 05
Washington & Great N. Ry Co.									
Total .....	\$2,099,037 17	\$29,568,273 72	\$18,480,596 43	\$11,102,937 84		\$5,273,802 16	\$2,285,826 26	\$10,538,155 98	\$567,812 08

\* Net loss from operation not included in total.

TABLE NO. 12.  
PASSENGER, FREIGHT AND MILEAGE STATISTICS, STATE OF WASHINGTON, FOR YEAR ENDING JUNE 30, 1908.

NAME OF RAILROAD COMPANY.	Number pas- sengers carried.	Passenger revenue.	Average receipts per passenger per mile.	Passen- ger earnings per mile of road.	Number of reve- nue tons of freight carried.	Freight revenue.	Average receipts per ton per mile. Cents.	Freight earnings per mile of road.	Total freight and pas- senger earnings per mile of road.	Total freight and passenger revenue.
Bellingham Bay & British Columbia R. R.	86,679	\$63,992 82	.02941	\$1,183 98	186,823	\$135,022 46	.08340	\$2,274 40	\$3,741 17	\$199,615 28
Columbia & Puget Sound R. R.	92,961	55,964 20	.02879	1,129 72	901,972	503,859 07	.02170	8,693 44	10,717 69	593,923 27
Great Northern Railway.	1,675,187	2,461,096 56	.02373	3,543 50	2,956,521	5,578,242 21	.01028	6,964 97	10,659 14	8,089,338 77
Ilwaco Railroad.	59,980	17,514 61	.04157	1,189 47	33,781	20,666 02	.04260	1,266 75	2,439 81	38,200 63
Northern Pacific Railway.	8,585,581	6,204,241 53	.02481	4,309 76	7,799,610	13,974,434 16	.01027	8,755 31	13,390 78	20,178,675 69
Oregon Railway & Navigation Co.	24,747	16,785 66	.04692	457 91	86,575	19,107 25	.06575	453 77	1,192 47	35,842 91
Port Townsend Southern Railway.	78,696	38,856 91	.02871	2,141 74	252,137	9,292 58	.01522	2,020 12	2,073 82	9,292 58
Seattle Southern Railway.	91,400	75,392 45	.03571	923 94	954,031	70,931 21	.01822	8,434 12	6,213 47	109,788 12
Spokane International Railway.						218,290 96	.01585	2,408 22	3,495 01	293,673 40
Tacoma Eastern Railroad.										
Totals.	5,690,181	8,983,794 74			13,121,450	\$20,580,553 91				\$29,464,350 65

\* No report for 1908.

TABLE NO. 12.—Continued.  
PASSENGER, FREIGHT AND MILEAGE STATISTICS, STATE OF WASHINGTON, FOR YEAR ENDING JUNE 30, 1908.

NAME OF RAILROAD COMPANY.	Total other earnings from operation.	Total earnings from operation.	Total operating expenses.	Net earnings from operation.	Percentage of operating expenses to earnings. ....	DIVISION OF OPERATING EXPENSES.			
						Maintenance of way and structures.	Maintenance of equipment.	Conducting transportation.	General Expenses.
Bellingham Bay & B. C. R. R. Co. ....	\$28,470 96	\$223,086 24	\$169,650 99	\$53,435 25	.7605	\$86,710 18	\$41,972 54	\$75,062 06	\$15,906 21
Columbia & Puget S'd R. R. Co. ....	61,331 02	621,304 29	331,303 56	290,000 73	.5332	101,556 19	69,190 12	145,004 94	15,552 31
Great Northern Railway Co. ....	497,571 38	8,536,910 15	6,233,912 11	2,302,998 04	.6634	1,741,011 91	1,119,255 07	3,245,548 63	128,086 50
Iliwaco Railroad Co. ....	1,755 24	39,955 87	28,624 55	11,331 32	.7164	6,410 55	3,346 67	17,672 02	2,195 31
Northern Pacific Railway Co. ....	1,194,490 59	21,373,166 28	11,564,772 44	9,808,393 84	.5411	2,500,928 76	2,233,773 82	6,557,969 97	272,079 89
Oregon Railroad & Navigation Co. ....	13,287 02	49,129 93	37,816 76	11,313 17	.7697	17,839 41	4,422 33	14,067 66	1,487 36
Port Townsend Southern R. R. Co. ....	244 70	9,537 28	8,923 07	614 21	.9356	1,117 30	1,557 13	5,144 33	1,104 31
Seattle Southeastern Ry. Co. ....	5,161 00	114,949 12	87,394 78	27,554 34	.7603	29,847 43	6,584 06	48,420 95	2,542 84
Spokane International Ry. Co. ....	23,113 87	316,787 27	240,174 32	76,612 95	.7582	47,407 24	57,587 55	118,393 83	16,785 70
Tacoma Eastern Railroad Co. ....									
<b>Total</b> .....	\$18,829,475 78	\$31,284,826 43	\$18,702,572 58	\$12,582,253 85		\$4,482,828 97	\$3,537,689 29	\$10,227,304 39	\$454,749 93

TABLE No. 13.  
COMPARISON OF GROSS EARNINGS, OPERATING EXPENSES AND INCOME FROM OPERATION OF THE RAILROADS IN WASHINGTON FOR THE TWO YEARS ENDING RESPECTIVELY, JUNE 30, 1906 AND JUNE 30, 1907.

NAME OF RAILROAD.	GROSS EARNINGS FROM OPERATION—ALL SOURCES.			OPERATING EXPENSES.		
	Year ending June 30, 1906.	Year ending June 30, 1907.	Increase for latter year.	Decrease latter year.	Year ending June 30, 1906.	Year ending June 30, 1907.
Bellingham Bay & British Columbia R. Co.	\$221,216 21	\$260,987 82	\$39,771 61		\$157,890 78	\$163,101 07
Columbia & Puget Sound Railroad Co.	523,543 47	637,811 13	107,756 66		211,868 08	298,782 90
Columbia & Red Mountain Railroad Co.	23,453 59	28,573 21	2,119 62		23,024 49	23,876 73
*Great Northern Railway	3,207,689 50	6,576,880 36	3,374,199 86		3,183,862 88	4,992,614 72
Ilwaco Railroad	27,743 44	37,976 44	10,233 30		22,318 28	37,437 80
Northern Pacific Railway	18,202,281 25	19,868,656 03	1,666,774 78		9,291,072 85	11,694,833 24
Oregon Railroad & Navigation Co.	11,913,135 07	12,942,815 49	1,029,620 42		6,840,844 67	6,969,821 56
Port Townsend Southern Railway	43,468 19	32,694 11	9,223 92		60,283 64	42,576 35
Spokane Falls & Northern Railway	811,819 66	931,833 44	119,583 78		447,565 26	551,904 72
Spokane International Railway		26,682 25				40,639 27
Spokane Union Depot Co.						
Seattle Southeastern Railway		16,049 82				13,291 46
Tacoma Eastern Railroad	234,470 55	409,829 11	125,058 56		179,117 60	285,762 56
Washington & Columbia River Railway	433,371 21	374,960 74		\$58,410 47	206,947 86	179,562 79
Washington & Great Northern Railway	214,414 97	350,219 22	135,804 25		100,022 39	152,712 08
Totals	\$35,907,668 81	\$42,811,089 21	\$6,619,098 76	\$58,410 47	\$19,728,288 78	\$25,450,417 99
						\$5,713,268 81

\*1906 figures represent earnings from passenger and freight business handled wholly within the state.

†Entire line. ‡Deficit not included in total. §New line not operating 1906.

TABLE NO. 13.—COMPARISON OF GROSS EARNINGS, OPERATING EXPENSES AND INCOME OF RAILROADS, ETC.—CONCLUDED.

NAME OF RAILROAD.	Decrease for latter year.	RESULTS FROM OPERATION.				Difference in favor of year ending June 30, 1906.	Difference in favor of year ending June 30, 1907.
		Year Ending June 30, 1906.		Year Ending June 30, 1907.			
		Income.	Deficit.	Income.	Deficit.		
Bellingham Bay & British Columbia R. Co.		\$63,325 43		\$97,886 75			\$34,561 32
Columbia & Puget Sound Railroad Co.		\$17,686 39		337,529 13			19,842 74
Columbia & Red Mountain Railroad Co.			\$2,570 90		\$1,303 57		\$1,267 33
Great Northern Railway		18,697 62		1,584,265 64			1,565,563 02
Heavaco Railroad.		5,424 86					
Northern Pacific Railway		8,911,208 40		8,173,722 79		\$1,885 78	
Northern Railroad & Navigation Co.		6,072,550 40		5,972,993 98		737,485 61	
Port Townsend Southern Railway	\$17,685 26		16,795 45	10,115 73		99,356 47	
Spokane Falls & Northern Railway				379,448 72	\$18,956 98		26,911 18
Spokane International Railway		363,884 40					15,564 32
Spokane Union Depot Co.							
Seattle Southern Railway							
Tacoma Eastern Railroad		105,352 95		123,766 55			18,418 60
Washington & Columbia River Railway	27,385 07	226,428 35		195,397 95		31,025 40	
Washington & Great Northern Railway		114,392 58		197,507 14			83,114 56
Total.	\$45,070 33	\$16,198,746 38	\$19,366 35	\$17,075,931 77	\$15,280 55	\$872,753 26	\$1,763,975 74

\*1906 figures represent earnings from passenger and freight business handled wholly within the state.  
†Entire line. ‡Deficit not included in total. §New line not operating 1906.

TABLE No. 14.  
COMPARISON OF GROSS EARNINGS, OPERATING EXPENSES AND INCOME FROM OPERATION OF THE RAILROADS IN  
WASHINGTON FOR THE TWO YEARS ENDING RESPECTIVELY, JUNE 30, 1907 AND JUNE 30, 1908.

NAME OF RAILROAD.	GROSS EARNINGS FROM OPERATION—ALL SOURCES.					OPERATING EXPENSES.			
	Year ending June 30, 1907.	Year ending June 30, 1908.	Increase for latter year.	Decrease latter year.	Year ending June 30, 1907.	Year ending June 30, 1908.	Increase for latter year.	Year ending June 30, 1908.	Increase for latter year.
Bellingham Bay & British Columbia R. R.	\$260,987 82	\$223,086 24	.....	\$37,901 58	\$163,101 07	\$169,650 99	.....	\$6,549 92	
Columbia & Puget Sound R. R.	637,311 13	621,304 29	.....	16,006 84	299,782 00	331,303 56	.....	31,521 56	
Great Northern Railway	6,576,880 36	8,536,910 15	\$1,960,029 79	.....	4,992,614 72	6,233,912 11	.....	1,241,297 39	
Ilwaco Railroad	37,976 44	39,955 87	1,979 43	.....	37,437 36	28,624 55	.....	8,812 81	
Northern Pacific Railway	19,888,066 03	21,373,166 28	1,505,110 25	.....	11,694,333 24	11,584,772 44	.....	109,560 80	
Port Townsend Southern R. R.	52,694 11	49,129 93	.....	3,564 18	42,578 38	37,816 76	.....	4,761 62	
Seattle Southern R. R.	16,049 92	9,537 28	.....	6,512 64	13,291 46	8,923 07	.....	4,368 39	
Spokane International R. R.	26,682 29	114,949 12	88,266 83	.....	40,639 27	87,394 78	.....	46,755 51	
Tacoma Eastern Railroad	40,952 11	316,787 27	.....	97,733 84	285,762 56	240,174 32	.....	45,588 24	
Total	\$27,886,159 21	\$31,284,826 43	\$3,555,886 30	\$156,719 08	\$17,569,540 06	\$18,702,572 58	\$1,133,032 52	\$1,133,032 52	

TABLE No. 14.—COMPARISON OF GROSS EARNINGS, OPERATING EXPENSES AND INCOME OF RAILROADS, ETC.—CONCLUDED.

NAME OF RAILROAD	Decrease for later year.	RESULTS FROM OPERATION.				Difference in favor of year ending June 30, 1907.	Difference in favor of year ending June 30, 1908.
		Year Ending June 30, 1907.		Year Ending June 30, 1908.			
		Income.	Deficit.	Income.	Deficit.		
Bellingham Bay & British Columbia R. R.		\$97,886 75		\$53,485 25		\$44,401 50	
Columbia & Puget Sound R. R.		337,529 13		290,000 73		47,528 40	
Great Northern Railway		1,581,265 64		2,302,998 04		718,732 40	
Ilwaco Railroad	86,810 91	539 06		11,331 32		10,792 24	
Northern Pacific Railway	124,640 80	8,173,722 79		9,806,393 84		1,632,671 05	
Port Townsend Southern R. R.	761 60	10,115 73		11,313 17		1,197 44	
Seattle Southern R. R.	4,383 89	2,768 86		614 21		2,154 65	
Spokane International R. R.		123,766 55	\$13,956 98	27,564 34		96,202 21	
Tacoma Eastern Railroad.	45,588 24	123,766 55		76,612 95		31,024 71	
Total.	\$198,091 86	\$10,380,594 08	\$13,956 98	\$12,582,268 85		\$141,277 65	
						\$2,406,904 45	



TABLE No. 15.  
STATISTICS OF FREIGHT TRAFFIC OF THE RAILROADS IN WASHINGTON FOR THE YEAR ENDING JUNE 30, 1907.

NAME OF RAILROAD.	Mileage of revenue freight trains .....	Tons carried of freight earning revenue ....	Tons of freight carried one mile .....	Average distance of haul, miles.	Total freight revenue ....	Average receipts per ton of freight .....	Average per ton per mile—cents. ....	Total freight earnings....	Freight earnings per mile of road per year .....	Freight earnings per train mile .....
Bellingham Bay and British Columbia R. R. ....	20,362	268,270	5,653,151	21.07	174,062.44	64838	.03079	174,062.44	3,101.92	4,42858
Columbia & Puget Sound R. R. ....	93,126	1,077,142	28,781,935	26.72	567,264.85	52664	.01971	567,264.85	9,678.63	5,76477
Columbia & Red Mountain R. R. ....	6,002	93,178	650,246	6.97	19,948.82	21409	.03067	19,948.82	2,656.80	1,94054
Great Northern Railway .....	1,021,838	1,058,014	140,976,169	13.82	2,197,258.35	2,07700	.01558	2,197,258.35	2,212.606	90
Iwaco Railroad .....	10,575	81,884	459,041	14.40	20,232.21	63456	.04407	20,232.21	1,825.83	90452
Northern Pacific Railway .....	3,590,601	7,954,873	1,392,894,577	175.10	13,151,694.39	1,63829	.00944	13,151,694.39	9,058.97	3,51983
Oregon Railroad & Navigation Co. R. R. * .....	No report									
Port Townsend & Southern Railway .....	19,065	40,967	430,611	10.51	23,034.28	56702	.05349	23,034.28	559.08	65177
Spokane Falls & Northern .....	131,457	504,716	32,930,515	11.2431	567,459.11	1,12431	.01723	574,108.09	4,121.97	4,38727
Spokane International .....	4,625	64,590	1,192,980	18.47	21,148.97	32743	.01778	21,148.97	1,143.19	4,57473
Seattle Southern .....					16,049.82			16,049.82	3,489.09	
Tacoma Eastern .....	110,782	959,509	16,555,047	17.25	294,114.83	30653	.01777	294,114.83	4,113.49	2,22240
Washington & Columbia River R. R. ....	52,053	310,475	13,179,613	42.44	361,566.94	1,16448	.02743	362,397.02	2,146.14	8,31653
Washington & Great Northern .....	38,473	201,486	7,052,416	35.10	275,463.86	1,36711	.03905	275,955.63	2,950.45	4,84330
Total .....	5,098,957	12,565,104	1,640,756,301		17,689,298.87			17,874,853.91		

\*Logging road.

TABLE No. 16.  
STATISTICS OF FREIGHT TRAFFIC OF THE RAILROADS IN WASHINGTON FOR THE YEAR ENDING JUNE 30, 1908.

Bellingham Bay & British Columbia R. R. ....	186,823	3,532,066	18.91	135,622.46	72504	.03310	2,274.40	3,64871
Columbia & Puget Sound R. R. ....	901,972	23,225,287	25.75	648,939.07	53873	.02170	8,093.44	6,16924
Great Northern Railway .....	2,896,821	542,462,369	183.47	5,378,242.21	1,88676	.01280	6,964.97	4,03854
Iwaco Railroad .....	33,781	485,535	14.37	20,686.02	61236	.04260	1,266.75	1,01841
Northern Pacific Railway .....	7,790,615	1,360,673,834	174.45	18,974,354.66	1,79168	.01027	8,755.31	4,00152
Port Townsend Southern Railway .....	36,575	290,506	7.94	19,107.25	52241	.06577	463.77	54306
Seattle Southeaster .....	252,137	4,609,868	13.48	9,292.38			2,620.22	8,72508
Spokane International .....	994,031	14,222,517	14.91	215,280.85	22880	.01222	3,834.12	5,77592
Tacoma Eastern .....							2,408.22	1,74130
Total .....	13,123,455	1,949,552,022		20,530,555.91				

\*Logging road and no report from O. R. &amp; N. Co. for 1908.

TABLE NO. 17  
STATISTICS OF PASSENGER TRAFFIC OF THE RAILROADS IN WASHINGTON FOR YEAR ENDING JUNE 30, 1907

NAME OF RAILROAD COMPANY	Mileage of Revenue Passenger Trains	Number of Revenue Passenger Trains	Number of Passengers Carried	Av. Distance of Passenger Miles	Total Revenue from Passenger Fares Strictly	Average Amount Received from Each Passenger	Per Passenger Receipts per mile	Total Passenger Train Earnings (including mail, express, baggage, etc.)	Passenger Train Earnings per Mile	Passenger Train Earnings per mile
Bellingham Bay & British Columbia R. Co.	41,985	86,983	2,290,290	26.33	\$62,972.17	\$72396	02750	\$69,354.89	\$1,163.09	\$1,683.29
Columbia & Puget Sound Railroad Co.	50,290	88,399	1,796,080	20.78	52,890.41	59831	02961	53,242.66	1,068.95	1,068.95
Great Northern Railway Co.	822	15,049	112,718	7.51	4,202.47	27999	03728	5,565.39	741.06	1,091.25
Great Northern Railway Co.	1,110,328	1,099,302	48,094,795	43.70	1,290,298.98	1,17000	02686	1,460,024.66	1,361.69	1,361.69
Illwaco Railroad Co.	1,663	49,917	826,396	6.54	15,358.68	30768	04706	18,506.52	1,061.69	1,226.70
Northern Pacific Railway Co.	2,764,861	3,174,568	224,214,106	70.63	5,388,672.47	1,69115	02394	6,110,216.24	4,157.63	2,066.59
Pt. Townsend & Northern Railway Co.	11,040	22,644	829,413	14.55	16,188.41	71491	04914	18,646.18	4,152.68	682.61
Spokane Falls & Northern Railway Co.	175,881	199,459	10,894,608	54.64	302,441.21	1,51631	02276	350,991.49	2,520.04	1,962.62
Spokane International Railway Co.	3,006	7,526	126,864	16.85	3,845.62	50566	03000	3,805.62	2,057.71	1,266.09
Tacoma Eastern Railroad Co.	71,650	124,462	2,927,057	23.52	92,313.62	74170	03154	100,965.89	1,411.97	1,063.11
Washington & Columbia River Railway Co.	36,479	74,372	2,684,509	36.10	62,472.39	84000	02327	76,365.77	616.40	1,082.30
Washington & Great Northern Railway Co.	41,416	66,642	2,013,550	30.21	64,030.89	96081	03180	74,180.09	783.12	1,196.00
Totals.....	4,309,421	5,009,358	295,740,326	.....	\$7,335,647.25	.....	.....	\$8,944,855.35	.....	.....

NOTE—Oregon Railroad & Nav. Co. report not segregated as to states. Seattle Southeastern R. R. logging road hence no passenger traffic.

TABLE NO. 18  
STATISTICS OF PASSENGER TRAFFIC OF THE RAILROADS IN WASHINGTON FOR YEAR ENDING JUNE 30, 1908.

Bellingham Bay & British Columbia R. R. Co.	86,679	2,176,216	25.11	\$63,992.82	\$73827	02941	\$70,600.71	\$1,188.98	\$1,134.44
Columbia & Puget Sound Railroad Co.	92,961	1,982,073	20.78	55,964.20	60202	02897	65,989.61	1,129.72	1,094.55
Great Northern Railway Co.	1,675,137	95,648,857	57.10	2,461,096.56	1,46915	02573	2,887,092.37	3,543.50	1,975.63
Great Northern Railway Co.	59,980	17,514.61	7.08	17,514.61	29225	04157	18,607.68	1,189.47	1,243.82
Illwaco Railroad Co.	8,585,581	250,107,117	69.75	6,204,241.53	1,79038	02418	6,878,838.32	4,309.76	2,285.21
Northern Pacific Railway Co.	24,744	356,655	14.41	16,735.66	67385	04692	18,863.98	4,457.91	687.08
Port Townsend Southern Railway Co.	73,696	1,338,321	18.86	38,856.91	52736	02871	39,622.27	2,141.74	1,689.71
Spokane International Railway Co.	91,400	2,111,180	23.10	75,392.45	82486	03571	83,746.02	923.94	1,826.14
Tacoma Eastern Railway Co.	.....	.....	.....	.....	.....	.....	.....	.....	.....
Totals.....	5,690,178	854,106,737	.....	\$8,938,794.74	.....	.....	\$10,013,777.91	.....	.....

\*No report from O. R. & N. for 1908.

TABLE NO. 19.  
CLASSIFICATION OF ACCIDENTS TO PERSONS ON RAILROADS IN WASHINGTON FOR YEAR ENDING JUNE 30, 1907.  
TABLE "A"—Accidents resulting from the movement of trains, locomotives or cars.

KIND OF ACCIDENT	RAILWAY EMPLOYEES							
	Trainmen.		Switchtenders, Crossing tenders, Watchmen.		Stationmen.		Shopmen.	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
1. Coupling and uncoupling....	9	32						
2. Collisions.....	18	94	1					
3. Derailments.....	8	22						
4. Parting of trains.....	1	8						
5. Locomotives or cars breaking down.....		6						
6. Falling from trains, locomotives or cars.....	8	48						
7. Jumping from trains, locomotives or cars.....	3	49	1					
8. Struck by trains, locomotives or cars.....	2	6	1	1				
9. At highway crossings.....								
10. At stations.....								
11. At other points along the track.....		1						
12. Overhead obstructions.....	4	166		1				
13. Other causes.....								
Total.....	48	427	2	3				

TABLE NO. 20.  
CLASSIFICATION OF ACCIDENTS TO PERSONS ON RAILROADS IN WASHINGTON FOR YEAR ENDING JUNE 30, 1908.  
TABLE "A"—Accidents resulting from the movement of trains, locomotives or cars.

KIND OF ACCIDENT	RAILWAY EMPLOYEES							
	Trainmen.		Switchtenders, Crossing tenders, Watchmen.		Stationmen.		Shopmen.	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
1. Coupling and uncoupling.....	1	24						
2. Collisions.....	2	44						
3. Derailments.....	1	21						
4. Parting of trains.....		4						
5. Locomotives or cars breaking down.....	1	28						
6. Falling from trains, locomotives or cars.....	6	43						
7. Jumping from trains, locomotives or cars.....	6	43						
8. Struck by.....		5	1	1				
9. At highway crossings.....								
10. At stations.....								
11. At other points along the track.....								
12. Overhead obstructions.....	3	122						
13. Other causes.....								
Total.....	20	289	1	1				

TABLE NO. 19, CLASSIFICATION OF RAILROAD ACCIDENTS IN WASHINGTON, YEAR ENDING JUNE 30, 1907 - CONTINUED.  
TABLE "A"—Accidents resulting from the movement of trains, locomotives or cars - Continued.

KIND OF ACCIDENT.	RAILWAY EMPLOYEES.					
	Trackmen		Telegraph employees		Other employees	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
1. Coupling and uncoupling.....						
2. Collisions.....						9
3. Derailments.....				2		87
4. Parting of trains.....				3		19
5. Locomotives or cars breaking down.....				3		8
6. Falling from trains, locomotives or cars.....						1
7. Struck by trains, locomotives or cars.....						6
8. Jumping from trains, locomotives or cars.....	1		3	5	2	10
9. Struck by trains, locomotives or cars.....	10	7	1	3	1	56
10. Highway crossings.....			4	1	3	4
11. At stations.....						16
12. At other points along the track.....						19
13. Overhead obstructions.....						
Other causes.....				5	1	1
Total.....	10	8		13	7	21
						67
						472

TABLE NO. 20 - CLASSIFICATION OF RAILROAD ACCIDENTS IN WASHINGTON, YEAR ENDING JUNE 30, 1908 - CONTINUED.  
TABLE "A"—Accidents resulting from the movement of trains, locomotives or cars - Continued.

KIND OF ACCIDENT.	RAILWAY EMPLOYEES.					
	Trackmen		Telegraph employees		Other employees	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
1. Coupling and uncoupling.....						
2. Collisions.....						1
3. Derailments.....		4		10		2
4. Parting of trains.....						1
5. Locomotives or cars breaking down.....						1
6. Falling from trains, locomotives or cars.....	1	1				7
7. Struck by trains, locomotives or cars.....	1	1		1		7
8. Jumping from trains, locomotives or cars.....	6	5	1	1	1	45
9. Struck by trains, locomotives or cars.....						11
10. Highway crossings.....						
11. At stations.....						
12. At other points along the track.....						
13. Overhead obstructions.....						
Other causes.....						8
Total.....	8	11	1	12	1	31
						312

TABLE NO. 19—CLASSIFICATION OF RAILROAD ACCIDENTS IN WASHINGTON, YEAR ENDING JUNE 30, 1907—CONTINUED.  
TABLE "A"—Accidents resulting from the movement of trains, locomotives or cars—Continued.

KIND OF ACCIDENT.	OTHER THAN EMPLOYEES									
	Passengers.		Postal clerks, ex- press messen- gers, Pullman employees, etc.		Other Persons				Total.	
					Trespassing		Not Trespassing			
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
1. Collisions.....	1	165	.....	11	.....	5	.....	4	1	185
2. Derailments.....	3	116	2	24	4	1	.....	.....	9	141
3. Parting of trains.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. Locomotives or cars breaking down.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
5. Falling from trains, locomotives or cars.....	.....	5	.....	.....	10	18	.....	1	10	24
6. Jumping from trains, locomotives or cars.....	.....	8	.....	.....	7	19	.....	1	7	28
7. Struck by trains, locomotives or cars.....	1	12	.....	.....	.....	.....	.....	.....	1	12
8. At highway crossings.....	.....	.....	.....	.....	.....	.....	9	11	9	11
9. At stations.....	.....	.....	.....	.....	16	13	.....	12	20	25
10. At other points along the track.....	.....	.....	.....	.....	63	21	4	.....	63	21
11. Overhead obstructions.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
12. Other causes.....	1	12	.....	.....	5	.....	.....	15	6	27
Total.....	6	318	2	85	105	77	13	44	126	474

TABLE NO. 20—CLASSIFICATION OF RAILROAD ACCIDENTS IN WASHINGTON, YEAR ENDING JUNE 30, 1906.  
TABLE "A"—Accidents resulting from the movement of trains, locomotives or cars—Continued.

1. Collisions.....	...	42	...	6	...	...	...	...	...	48
2. Derailments.....	...	81	1	10	8	...	...	...	4	91
3. Parting of trains.....	...	...	...	...	...	...	...	...	...	...
4. Locomotives or cars breaking down.....	...	...	...	...	...	...	...	...	...	...
5. Falling from trains, locomotives or cars.....	...	1	...	...	13	11	...	...	13	12
6. Jumping from trains, locomotives or cars.....	1	8	...	...	11	31	1	...	13	39
7. Struck by trains, locomotives or cars.....	...	...	...	...	...	...	2	...	2	17
8. At highway crossings.....	...	...	...	...	8	8	...	17	4	17
9. At stations.....	1	...	...	...	55	29	...	1	56	29
10. At other points along the track.....	...	...	...	...	...	...	...	...	...	...
11. Overhead obstructions.....	...	7	...	1	1	11	...	13	1	32
12. Other causes.....	...	...	...	...	...	...	...	...	...	...
Total.....	2	139	1	17	86	85	3	31	92	272

TABLE NO. 21—CLASSIFICATION OF RAILROAD ACCIDENTS IN WASHINGTON, YEAR ENDING JUNE 30, 1907.

KIND OF ACCIDENT.	RAILWAY EMPLOYEES								OTHER PERSONS.							
	Station-men.		Shopmen.		Trackmen.		Other employees.		Total.		Passen- gers.		Postal clerks, express messen- gers, Pullman employees.		Other persons.	
	Killed..	Injured.	Killed..	Injured.	Killed..	Injured.	Killed..	Injured.	Killed..	Injured.	Killed..	Injured.	Killed..	Injured.	Killed..	Injured.
Handling traffic.....		14														
Handling tools, machinery, etc.		87														
Handling supplies, etc.		14			1	13										
Getting on or off locomotives or cars at rest		1				52										
Other causes.....		13		2		23		3	47	3	85		3			5
Total .....		79		61	1	88	3	78	4	806		3				5

TABLE No. 22.—CLASSIFICATION OF RAILROAD ACCIDENTS IN WASHINGTON, YEAR ENDING JUNE 30, 1908.

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Total.
Handling traffic.....			3								2		16
Handling coal, machinery, etc.			92		5		1				4		107
Handling passengers, etc.											10		2
Handling engines, etc.					2	48							50
Genting on or off locomotives or cars at rest			17									1	
Other causes.....			14		3	12	2				19		46
Total.....	11	11	116	5	60	3	36	8	223	1			313

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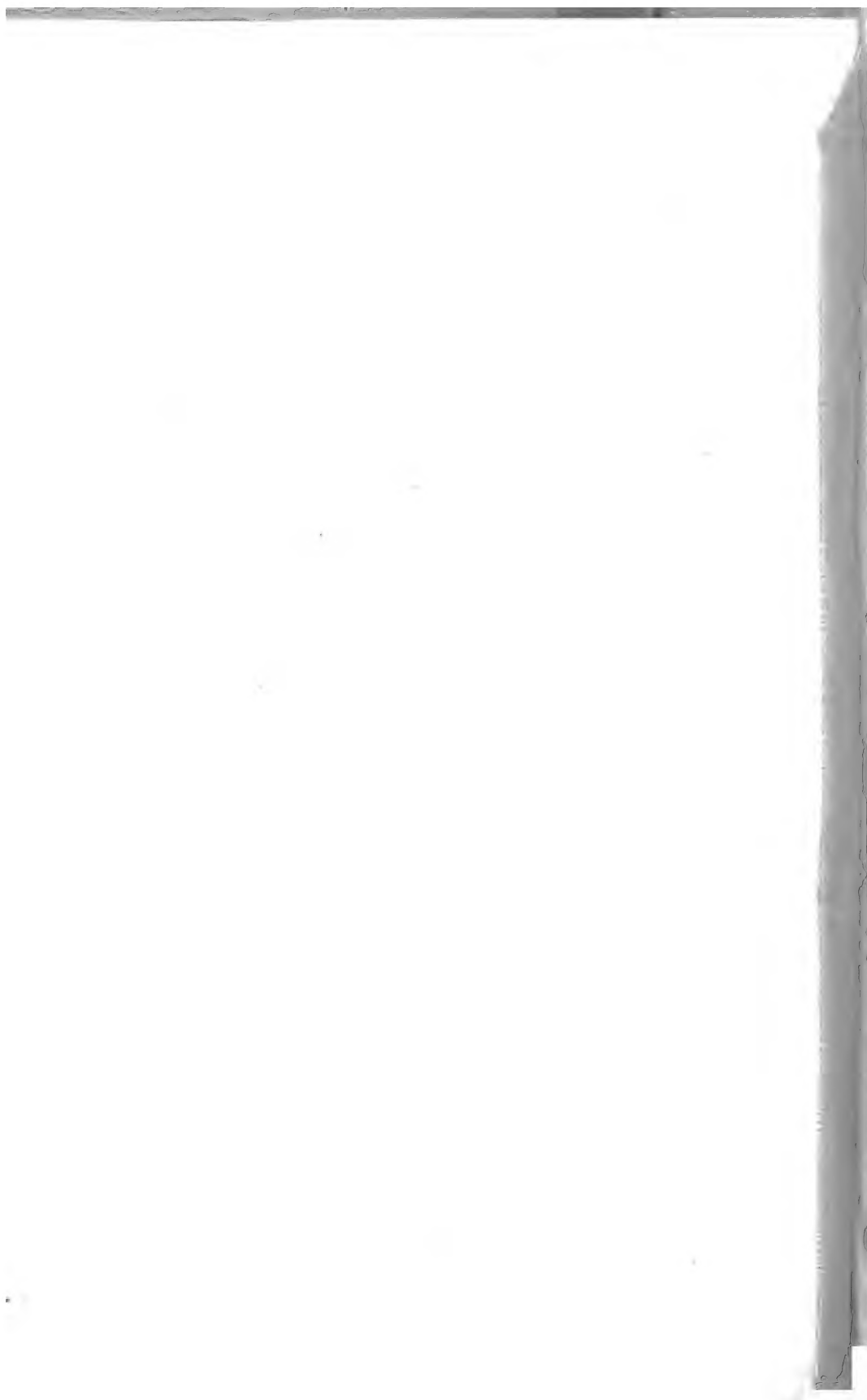
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